

CITY OF BISMARCK DEFERRED SICK LEAVE FUND  
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2013

	August-13					July-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net								
<b>TOTAL DEFERRED SICK LEAVE FUND</b>	<b>1,025,596</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.10%</b>	<b>-1.12%</b>	<b>1,044,005</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.14%</b>	<b>2.12%</b>	<b>1.02%</b>	<b>0.98%</b>	<b>10.05%</b>	<b>9.83%</b>	<b>9.97%</b>	<b>9.72%</b>	<b>6.90%</b>	
<i>POLICY TARGET BENCHMARK</i>				<i>-1.04%</i>	<i>-1.04%</i>				<i>1.77%</i>	<i>1.77%</i>	<i>0.71%</i>	<i>0.71%</i>	<i>5.49%</i>	<i>5.49%</i>	<i>6.99%</i>	<i>6.99%</i>	<i>5.34%</i>	
ATTRIBUTION ANALYSIS																		
<b>Asset Allocation</b>				<b>-0.02%</b>	<b>-0.02%</b>				<b>0.01%</b>	<b>0.01%</b>	<b>-0.02%</b>	<b>-0.02%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>0.02%</b>	<b>0.02%</b>		
<b>Manager Selection</b>				<b>-0.04%</b>	<b>-0.06%</b>				<b>0.36%</b>	<b>0.35%</b>	<b>0.32%</b>	<b>0.29%</b>	<b>4.52%</b>	<b>4.29%</b>	<b>2.96%</b>	<b>2.72%</b>		
<b>TOTAL RELATIVE RETURN</b>				<b>-0.06%</b>	<b>-0.08%</b>				<b>0.37%</b>	<b>0.35%</b>	<b>0.30%</b>	<b>0.27%</b>	<b>4.56%</b>	<b>4.33%</b>	<b>2.98%</b>	<b>2.74%</b>		
<b>LARGE CAP DOMESTIC EQUITY</b>																		
Los Angeles Capital	45,648	4.5%	4.5%	-2.30%	-2.31%	47,995	4.6%	4.5%	5.26%	5.25%	2.84%	2.81%	18.87%	18.66%	19.01%	18.80%	7.51%	
<i>Russell 1000 Growth</i>				<i>-1.71%</i>	<i>-1.71%</i>				<i>5.30%</i>	<i>5.30%</i>	<i>3.50%</i>	<i>3.50%</i>	<i>17.07%</i>	<i>17.07%</i>	<i>18.68%</i>	<i>18.68%</i>	<i>7.47%</i>	
LSV	45,536	4.4%	4.5%	-3.52%	-3.54%	50,050	4.8%	4.5%	6.39%	6.37%	2.64%	2.60%	32.50%	32.20%	20.05%	19.73%	7.86%	
<i>Russell 1000 Value</i>				<i>-3.79%</i>	<i>-3.79%</i>				<i>5.40%</i>	<i>5.40%</i>	<i>1.40%</i>	<i>1.40%</i>	<i>25.32%</i>	<i>25.32%</i>	<i>18.51%</i>	<i>18.51%</i>	<i>6.67%</i>	
LA Capital	30,446	3.0%	3.0%	-2.83%	-2.84%	32,925	3.2%	3.0%	5.68%	5.66%	2.69%	2.66%	21.58%	21.39%	19.18%	18.90%	7.81%	
<i>Russell 1000</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.63%</i>	<i>18.63%</i>	<i>7.12%</i>	
Clifton Group (moved from fixed 11/1/08)	29,974	2.9%	3.0%	-3.03%	-3.04%	31,866	3.1%	3.0%	4.95%	4.94%	1.77%	1.76%	20.94%	20.84%	19.20%	19.00%	N/A	
<i>S&amp;P 500</i>				<i>-2.90%</i>	<i>-2.90%</i>				<i>5.09%</i>	<i>5.09%</i>	<i>2.04%</i>	<i>2.04%</i>	<i>20.60%</i>	<i>20.60%</i>	<i>18.45%</i>	<i>18.45%</i>		
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>151,605</b>	<b>14.8%</b>	<b>15.0%</b>	<b>-2.93%</b>	<b>-2.94%</b>	<b>162,836</b>	<b>15.6%</b>	<b>15.0%</b>	<b>5.63%</b>	<b>5.61%</b>	<b>2.54%</b>	<b>2.51%</b>	<b>23.83%</b>	<b>23.63%</b>	<b>19.34%</b>	<b>19.08%</b>	<b>4.96%</b>	
<i>S&amp;P 500</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.66%</i>	<i>18.66%</i>	<i>7.12%</i>	
<b>SMALL CAP DOMESTIC EQUITY</b>																		
Research Affiliates	25,142	2.5%	2.5%	-3.65%	-3.68%	27,973	2.7%	2.5%	6.85%	6.82%	2.95%	2.89%	30.62%	30.17%	20.28%	19.80%	10.56%	
Clifton	25,111	2.4%	2.5%	-3.18%	-3.21%	27,461	2.6%	2.5%	6.79%	6.76%	3.39%	3.33%	25.51%	25.08%	20.17%	19.70%	N/A	
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>50,252</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-3.42%</b>	<b>-3.45%</b>	<b>55,434</b>	<b>5.3%</b>	<b>5.0%</b>	<b>6.82%</b>	<b>6.79%</b>	<b>3.17%</b>	<b>3.11%</b>	<b>28.04%</b>	<b>27.60%</b>	<b>20.25%</b>	<b>19.77%</b>	<b>9.84%</b>	
<i>Russell 2000</i>				<i>-3.18%</i>	<i>-3.18%</i>				<i>7.00%</i>	<i>7.00%</i>	<i>3.60%</i>	<i>3.60%</i>	<i>24.21%</i>	<i>24.21%</i>	<i>18.67%</i>	<i>18.67%</i>	<i>8.77%</i>	
<b>INTERNATIONAL EQUITY</b>																		
Capital Guardian	41,158	4.0%	4.0%	-1.51%	-1.55%	43,639	4.2%	4.0%	5.81%	5.77%	4.21%	4.13%	20.78%	20.25%	9.88%	9.29%	-0.15%	
LSV	41,592	4.1%	4.0%	-0.90%	-0.93%	42,231	4.0%	4.0%	6.11%	6.08%	5.15%	5.09%	20.71%	20.23%	8.65%	8.16%	-0.02%	
<i>MSCI EAFE - 50% Hedged</i>				<i>-1.32%</i>	<i>-1.32%</i>				<i>5.28%</i>	<i>5.28%</i>	<i>3.88%</i>	<i>3.88%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	
DFA	10,165	1.0%	1.0%	-1.19%	-1.23%	10,262	1.0%	1.0%	7.50%	7.46%	6.22%	6.13%	24.89%	24.23%	12.35%	11.62%	2.25%	
Vanguard	10,136	1.0%	1.0%	-0.63%	-0.66%	10,160	1.0%	1.0%	5.54%	5.51%	4.87%	4.81%	21.16%	20.74%	10.65%	10.23%	2.09%	
<i>S&amp;P/Citigroup Broad Market Index &lt; \$2BN</i>				<i>-0.35%</i>	<i>-0.35%</i>				<i>5.04%</i>	<i>5.04%</i>	<i>4.67%</i>	<i>4.67%</i>	<i>18.05%</i>	<i>18.05%</i>	<i>9.78%</i>	<i>9.78%</i>	<i>1.26%</i>	
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>103,052</b>	<b>10.0%</b>	<b>10.0%</b>	<b>-1.15%</b>	<b>-1.19%</b>	<b>106,291</b>	<b>10.2%</b>	<b>10.0%</b>	<b>6.06%</b>	<b>6.03%</b>	<b>4.84%</b>	<b>4.77%</b>	<b>21.07%</b>	<b>20.56%</b>	<b>9.74%</b>	<b>9.20%</b>	<b>0.44%</b>	
<i>MSCI EAFE - 50% Hedged</i>				<i>-1.32%</i>	<i>-1.32%</i>				<i>5.28%</i>	<i>5.28%</i>	<i>3.88%</i>	<i>3.88%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	

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	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net								
<b>FIXED INCOME</b>																		
Western Asset	172,942	16.9%	23.7%	-0.46%	-0.47%	166,613	16.0%	23.7%	-0.01%	-0.02%	-0.47%	-0.50%	2.17%	1.99%	6.29%	6.10%	6.95%	
Prudential	54,066	5.3%	5.2%	-0.81%	-0.83%	61,327	5.9%	5.2%	1.33%	1.31%	0.51%	0.46%	2.03%	1.74%	6.55%	6.25%	7.83%	
PIMCO (DiSCO) (2)	74,346	7.2%	7.2%	0.27%	0.27%	75,281	7.2%	7.2%	1.00%	1.00%	1.27%	1.27%	33.07%	33.07%	N/A	N/A	N/A	
<b>BC Aggregate</b>				<b>-0.51%</b>	<b>-0.51%</b>				<b>0.14%</b>	<b>0.14%</b>	<b>-0.37%</b>	<b>-0.37%</b>	<b>-0.69%</b>	<b>-0.69%</b>	<b>3.51%</b>	<b>3.51%</b>	<b>5.19%</b>	
Declaration	44,813	4.4%	5.2%	-0.22%	-0.26%	45,772	4.4%	5.2%	-0.03%	-0.07%	-0.25%	-0.33%	2.49%	2.00%	6.76%	6.27%	N/A	
<b>BC Global Aggregate (US Securitized Portion)</b>				<b>-0.42%</b>	<b>-0.42%</b>				<b>0.54%</b>	<b>0.54%</b>	<b>0.12%</b>	<b>0.12%</b>	<b>1.34%</b>	<b>1.34%</b>	<b>4.73%</b>	<b>4.73%</b>		
State Street	96,943	9.5%	9.1%	-0.62%	-0.62%	99,046	9.5%	9.1%	0.22%	0.22%	-0.40%	-0.40%	N/A	N/A	N/A	N/A	N/A	
<b>BC Gov/Credit</b>				<b>-0.61%</b>	<b>-0.61%</b>				<b>0.23%</b>	<b>0.23%</b>	<b>-0.39%</b>	<b>-0.39%</b>	<b>-0.62%</b>	<b>-0.62%</b>				
Wells Capital (formerly Strong)	225,718	22.0%	23.7%	-0.83%	-0.85%	220,522	21.1%	23.7%	0.83%	0.81%	-0.01%	-0.04%	3.19%	2.97%	7.43%	7.21%	9.34%	
<b>BC US Credit BAA</b>				<b>-0.99%</b>	<b>-0.99%</b>				<b>0.81%</b>	<b>0.81%</b>	<b>-0.19%</b>	<b>-0.19%</b>	<b>1.77%</b>	<b>1.77%</b>	<b>6.00%</b>	<b>6.00%</b>	<b>8.19%</b>	
<b>TOTAL FIXED INCOME</b>	<b>668,827</b>	<b>65.2%</b>	<b>65.0%</b>	<b>-0.54%</b>	<b>-0.55%</b>	<b>668,561</b>	<b>64.0%</b>	<b>65.0%</b>	<b>0.53%</b>	<b>0.51%</b>	<b>-0.01%</b>	<b>-0.04%</b>	<b>4.90%</b>	<b>4.71%</b>	<b>7.50%</b>	<b>7.31%</b>	<b>7.89%</b>	
<b>BC Aggregate (1)</b>				<b>-0.51%</b>	<b>-0.51%</b>				<b>0.14%</b>	<b>0.14%</b>	<b>-0.37%</b>	<b>-0.37%</b>	<b>-0.69%</b>	<b>-0.69%</b>	<b>3.51%</b>	<b>3.51%</b>	<b>5.19%</b>	
<b>CASH EQUIVALENTS</b>																		
Northern Trust	51,860			0.01%	0.01%	50,884			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<b>TOTAL CASH EQUIVALENTS</b>	<b>51,860</b>	<b>5.1%</b>	<b>5.0%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>50,884</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.27%</b>	<b>0.27%</b>	<b>0.27%</b>	<b>0.27%</b>	<b>0.45%</b>	
<b>90 Day T-Bill</b>				<b>0.01%</b>	<b>0.01%</b>				<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.30%</b>	

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.