

CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2014

	December-14					September-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	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 DEFERRED SICK LEAVE FUND	859,648	100.0%	100.0%	2.06%	2.02%	842,530	100.0%	100.0%	-0.77%	-0.81%	1.27%	1.19%	12.53%	12.32%	9.47%	9.25%	11.58%	11.33%
<i>POLICY TARGET BENCHMARK</i>				<i>2.01%</i>	<i>2.01%</i>				<i>-0.75%</i>	<i>-0.75%</i>	<i>1.24%</i>	<i>1.24%</i>	<i>9.97%</i>	<i>9.97%</i>	<i>6.63%</i>	<i>6.63%</i>	<i>8.29%</i>	<i>8.29%</i>
ATTRIBUTION ANALYSIS																		
Asset Allocation				0.00%	0.00%				0.00%	0.00%	0.00%	0.00%	-0.02%	-0.02%	0.06%	0.06%		
Manager Selection				0.04%	0.01%				-0.02%	-0.07%	0.02%	-0.06%	2.58%	2.38%	2.79%	2.56%		
TOTAL RELATIVE RETURN				0.05%	0.01%				-0.02%	-0.07%	0.03%	-0.06%	2.56%	2.35%	2.84%	2.61%	3.29%	3.04%
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	38,666	4.5%	4.5%	5.47%	5.42%	37,733	4.5%	4.5%	1.58%	1.54%	7.14%	7.04%	25.79%	25.57%	17.16%	16.94%	7.73%	7.51%
<i>Russell 1000 Growth</i>				4.78%	4.78%				1.49%	1.49%	6.34%	6.34%	26.92%	26.92%	16.26%	16.26%	7.47%	7.47%
LSV	39,108	4.5%	4.5%	5.54%	5.46%	37,558	4.5%	4.5%	-0.46%	-0.52%	5.06%	4.92%	28.33%	28.01%	19.09%	18.79%	8.24%	7.86%
<i>Russell 1000 Value</i>				4.98%	4.98%				-0.19%	-0.19%	4.78%	4.78%	23.81%	23.81%	16.92%	16.92%	6.67%	6.67%
LA Capital	25,912	3.0%	3.0%	5.25%	5.22%	25,093	3.0%	3.0%	0.86%	0.83%	6.16%	6.09%	24.29%	24.15%	17.14%	16.95%	8.08%	7.81%
<i>Russell 1000</i>				4.88%	4.88%				0.65%	0.65%	5.57%	5.57%	25.36%	25.36%	16.63%	16.63%	7.12%	7.12%
Clifton Group	25,915	3.0%	3.0%	5.15%	5.15%	25,364	3.0%	3.0%	1.18%	1.11%	6.38%	6.31%	24.75%	24.63%	16.93%	16.80%	19.96%	19.63%
<i>S&P 500</i>				4.93%	4.93%				1.13%	1.13%	6.12%	6.12%	24.61%	24.61%	16.58%	16.58%	18.83%	18.83%
TOTAL LARGE CAP DOMESTIC EQUITY	129,601	15.1%	15.0%	5.40%	5.35%	125,747	14.9%	15.0%	0.73%	0.68%	6.17%	6.07%	26.07%	25.85%	17.73%	17.51%	19.57%	19.28%
<i>Russell 1000</i>				4.88%	4.88%				0.65%	0.65%	5.57%	5.57%	25.36%	25.36%	17.02%	17.02%	19.10%	19.10%
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	12,971	1.5%	2.5%	10.52%	10.44%	13,436	1.6%	2.5%	-7.00%	-7.07%	2.79%	2.63%	24.68%	24.29%	16.34%	15.88%	22.98%	22.51%
Clifton	31,227	3.6%	2.5%	10.44%	10.44%	28,831	3.4%	2.5%	-7.23%	-7.41%	2.45%	2.25%	24.67%	24.17%	15.76%	15.30%	22.16%	21.67%
TOTAL SMALL CAP DOMESTIC EQUITY	44,198	5.1%	5.0%	10.38%	10.36%	42,267	5.0%	5.0%	-7.08%	-7.23%	2.56%	2.38%	24.78%	24.34%	16.10%	15.64%	22.49%	22.01%
<i>Russell 2000</i>				9.73%	9.73%				-7.36%	-7.36%	1.65%	1.65%	23.64%	23.64%	14.57%	14.57%	20.21%	20.21%
INTERNATIONAL EQUITY																		
Capital Group	33,866	3.9%	4.0%	-1.43%	-1.52%	33,723	4.0%	4.0%	-5.78%	-5.86%	-7.12%	-7.29%	20.70%	20.25%	8.58%	8.03%	12.11%	11.55%
LSV	33,514	3.9%	4.0%	-3.60%	-3.70%	33,361	4.0%	4.0%	-6.45%	-6.53%	-9.81%	-9.99%	27.25%	26.77%	9.54%	9.04%	12.20%	11.69%
<i>MSCI EAFE</i>				-3.57%	-3.57%				-5.88%	-5.88%	-9.24%	-9.24%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%
DFA	8,464	1.0%	1.0%	-3.97%	-3.97%	8,269	1.0%	1.0%	-8.53%	-8.53%	-12.15%	-12.15%	36.58%	35.75%	12.25%	11.48%	16.48%	15.74%
Vanguard (1)	8,485	1.0%	1.0%	-3.50%	-3.50%	8,377	1.0%	1.0%	-5.84%	-5.84%	-9.14%	-9.14%	29.97%	29.46%	9.31%	8.86%	14.93%	14.49%
<i>S&P/Citigroup Broad Market Index < \$2B</i>				-4.44%	-4.44%				-5.94%	-5.94%	-10.12%	-10.12%	26.39%	26.39%	8.21%	8.21%	8.21%	13.10%
TOTAL INTERNATIONAL EQUITY	84,330	9.8%	10.0%	-2.75%	-2.82%	83,729	9.9%	10.0%	-6.33%	-6.39%	-8.90%	-9.04%	25.76%	25.26%	9.31%	8.77%	12.94%	12.39%
<i>MSCI EAFE</i>				-3.57%	-3.57%				-5.88%	-5.88%	-9.24%	-9.24%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%
FIXED INCOME																		
Western Asset	181,359	21.1%	21.2%	1.63%	1.60%	175,093	20.8%	20.8%	0.36%	0.32%	1.99%	1.92%	6.13%	5.99%	5.69%	5.52%	8.72%	8.54%
Prudential	45,362	5.3%	5.2%	1.97%	1.90%	44,267	5.3%	5.2%	-0.31%	-0.38%	1.65%	1.51%	6.71%	6.42%	6.06%	5.76%	8.55%	8.25%
PIMCO (DiSCO) (1)	21,824	2.5%	2.5%	-0.35%	-0.35%	25,626	3.0%	3.0%	1.43%	1.43%	1.08%	1.08%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	6,684	0.8%	0.8%	3.49%	3.49%	5,913	0.7%	0.7%	0.00%	0.00%	3.49%	3.49%	N/A	N/A	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				1.78%	1.78%				0.17%	0.17%	1.95%	1.95%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%
Declaration (Total Return) (1)	43,131	5.0%	5.0%	0.99%	0.99%	45,636	5.4%	5.4%	0.65%	0.65%	1.65%	1.65%	N/A	N/A	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				0.06%	0.06%				0.06%	0.06%	0.12%	0.12%						
State Street	79,201	9.2%	9.1%	1.83%	1.82%	77,668	9.2%	9.1%	0.16%	0.15%	1.99%	1.98%	4.26%	4.23%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				1.80%	1.80%				0.17%	0.17%	1.98%	1.98%	4.28%	4.28%				
Wells Capital	181,587	21.1%	21.2%	1.59%	1.55%	175,784	20.9%	20.8%	-0.12%	-0.17%	1.47%	1.37%	10.01%	9.79%	7.70%	7.48%	10.19%	9.97%
<i>BC US Credit BAA</i>				1.26%	1.26%				-1.60%	-1.60%	-0.36%	-0.36%	9.46%	9.46%	7.12%	7.12%	9.05%	9.05%
TOTAL FIXED INCOME	559,149	65.0%	65.0%	1.55%	1.52%	549,987	65.3%	65.0%	0.20%	0.16%	1.75%	1.68%	7.76%	7.60%	7.48%	7.29%	9.42%	9.23%
<i>BC Aggregate</i>				1.78%	1.78%				0.17%	0.17%	1.95%	1.95%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%
CASH EQUIVALENTS																		
Northern Trust (1)	42,370			0.00%	0.00%	40,799			0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	42,370	4.9%	5.0%	0.00%	0.00%	40,799	4.8%	5.0%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%
<i>90 Day T-Bill</i>				0.00%	0.00%				0.01%	0.01%	0.01%	0.01%	0.06%	0.06%	0.08%	0.08%	0.11%	0.11%

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.