

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2015**

	August-15					July-15					Current FYTD		Prior Year FY15		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015	
	Allocation		Month			Allocation		Month			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	858,597	100.0%	100.0%	-2.08%	-2.14%	877,889	100.0%	100.0%	0.64%	0.64%	-1.46%	-1.51%	3.11%	2.95%	8.49%	8.29%	9.06%	8.84%
<i>POLICY TARGET BENCHMARK</i>				<i>-2.04%</i>	<i>-2.04%</i>				<i>0.89%</i>	<i>0.89%</i>	<i>-1.17%</i>	<i>-1.17%</i>	<i>2.31%</i>	<i>2.31%</i>	<i>5.88%</i>	<i>5.88%</i>	<i>6.62%</i>	<i>6.62%</i>
ATTRIBUTION ANALYSIS																		
Asset Allocation				-0.01%	-0.01%				0.00%	0.00%	-0.02%	-0.02%	-0.04%	-0.04%	-0.01%	-0.01%	0.00%	0.00%
Manager Selection				-0.03%	-0.08%				-0.25%	-0.25%	-0.27%	-0.32%	0.84%	0.69%	2.62%	2.42%	2.44%	2.22%
TOTAL RELATIVE RETURN				-0.04%	-0.09%				-0.25%	-0.25%	-0.29%	-0.34%	0.80%	0.65%	2.61%	2.42%	2.44%	2.22%
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	39,715	4.6%	4.5%	-5.44%	-5.48%	41,173	4.7%	4.5%	3.02%	3.02%	-2.59%	-2.63%	12.53%	12.32%	18.94%	18.72%	19.00%	18.78%
<i>Russell 1000 Growth</i>				-6.07%	-6.07%				3.39%	3.39%	-2.89%	-2.89%	10.56%	10.56%	17.99%	17.99%	18.59%	18.59%
LSV	38,157	4.4%	4.5%	-6.09%	-6.15%	39,842	4.5%	4.5%	0.70%	0.70%	-5.43%	-5.49%	7.16%	6.87%	22.14%	21.84%	18.93%	18.62%
<i>Russell 1000 Value</i>				-5.96%	-5.96%				0.44%	0.44%	-5.54%	-5.54%	4.13%	4.13%	17.34%	17.34%	16.50%	16.50%
LA Capital	25,830	3.0%	3.0%	-5.74%	-5.76%	26,858	3.1%	3.0%	2.60%	2.60%	-3.28%	-3.31%	8.45%	8.31%	17.90%	17.74%	17.94%	17.71%
<i>Russell 1000</i>				-6.02%	-6.02%				1.93%	1.93%	-4.20%	-4.20%	7.37%	7.37%	17.73%	17.73%	17.58%	17.58%
Clifton Group	25,396	3.0%	3.0%	-5.83%	-5.90%	26,445	3.0%	3.0%	2.06%	2.06%	-3.90%	-3.96%	7.17%	7.10%	17.37%	17.28%	17.76%	17.60%
<i>S&P 500</i>				-6.03%	-6.03%				2.10%	2.10%	-4.06%	-4.06%	7.42%	7.42%	17.31%	17.31%	17.34%	17.34%
TOTAL LARGE CAP DOMESTIC EQUITY	129,097	15.0%	15.0%	-5.77%	-5.82%	134,318	15.3%	15.0%	2.05%	2.05%	-3.84%	-3.89%	9.02%	8.83%	19.39%	19.19%	18.49%	18.26%
<i>Russell 1000</i>				-6.02%	-6.02%				1.93%	1.93%	-4.20%	-4.20%	7.37%	7.37%	17.73%	17.73%	17.60%	17.60%
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	12,481	1.5%	2.5%	-4.55%	-4.63%	12,784	1.5%	2.5%	-2.13%	-2.13%	-6.58%	-6.65%	5.51%	5.18%	19.78%	19.39%	18.02%	17.58%
Clifton	30,642	3.6%	2.5%	-6.11%	-6.56%	32,036	3.6%	2.5%	-1.18%	-1.18%	-7.21%	-7.67%	8.24%	8.03%	19.20%	18.83%	18.55%	18.13%
TOTAL SMALL CAP DOMESTIC EQUITY	43,124	5.0%	5.0%	-5.66%	-6.01%	44,820	5.1%	5.0%	-1.45%	-1.45%	-7.03%	-7.38%	7.46%	7.23%	19.75%	19.38%	18.45%	18.03%
<i>Russell 2000</i>				-6.28%	-6.28%				-1.16%	-1.16%	-7.37%	-7.37%	6.49%	6.49%	17.81%	17.81%	17.08%	17.08%
INTERNATIONAL EQUITY																		
Capital Group	33,409	3.9%	4.0%	-7.71%	-7.83%	34,056	3.9%	4.0%	-1.45%	-1.45%	-9.04%	-9.16%	-1.35%	-1.73%	12.88%	12.43%	9.57%	9.06%
LSV	34,394	4.0%	4.0%	-6.75%	-6.84%	34,687	4.0%	4.0%	1.46%	1.46%	-5.39%	-5.48%	-3.33%	-3.73%	14.09%	13.63%	9.55%	9.08%
<i>MSCI EAFE</i>				-7.36%	-7.36%				2.08%	2.08%	-5.43%	-5.43%	-4.22%	-4.22%	11.97%	11.97%	8.38%	8.38%
DFA	8,888	1.0%	1.0%	4.18%	-4.27%	8,723	1.0%	1.0%	4.18%	-1.23%	-5.44%	-5.44%	-3.27%	-3.27%	18.16%	17.72%	13.38%	12.80%
Vanguard (1)	9,113	1.1%	1.0%	-4.99%	-4.99%	9,011	1.0%	1.0%	1.15%	1.15%	-3.89%	-3.89%	0.57%	0.57%	16.56%	16.27%	12.11%	11.76%
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				-4.29%	-4.29%				-0.87%	-0.87%	-5.12%	-5.12%	1.14%	1.14%	14.70%	14.70%	14.70%	11.08%
TOTAL INTERNATIONAL EQUITY	85,804	10.0%	10.0%	-6.69%	-6.78%	86,477	9.9%	10.0%	-0.01%	-0.01%	-6.70%	-6.79%	-2.11%	-2.43%	14.23%	13.79%	10.22%	9.74%
<i>MSCI EAFE</i>				-7.36%	-7.36%				2.08%	2.08%	-5.43%	-5.43%	-4.22%	-4.22%	11.97%	11.97%	8.38%	8.38%
FIXED INCOME																		
Western Asset	178,200	20.8%	20.8%	-0.32%	-0.36%	182,003	20.7%	20.9%	0.94%	0.94%	0.61%	0.58%	2.76%	2.62%	3.68%	3.52%	5.54%	5.38%
Prudential	51,048	5.9%	5.2%	-0.29%	-0.36%	52,138	5.9%	5.2%	0.70%	0.70%	0.40%	0.33%	2.32%	2.05%	3.67%	3.38%	5.72%	5.43%
PIMCO (DiSCO II) (1)	22,384	2.6%	2.6%	0.39%	0.39%	22,297	2.5%	2.5%	0.30%	0.30%	0.68%	0.68%	4.32%	4.32%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	9,960	1.2%	1.2%	0.00%	0.00%	9,960	1.1%	1.1%	0.00%	0.00%	0.00%	0.00%	10.36%	10.36%	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				-0.14%	-0.14%				0.70%	0.70%	0.55%	0.55%	1.85%	1.85%	1.82%	1.82%	3.35%	3.35%
Declaration (Total Return) (1)	44,973	5.2%	5.2%	0.05%	0.05%	45,761	5.2%	5.2%	0.31%	0.31%	0.37%	0.37%	3.55%	3.55%	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				0.03%	0.03%				0.02%	0.02%	0.05%	0.05%	0.26%	0.26%				
State Street	77,798	9.1%	9.1%	-0.24%	-0.24%	79,367	9.0%	9.1%	0.74%	0.74%	0.50%	0.50%	1.70%	1.66%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				-0.23%	-0.23%				0.73%	0.73%	0.49%	0.49%	1.68%	1.68%				
Wells Capital	173,605	20.2%	20.8%	-0.91%	-0.96%	178,380	20.3%	20.9%	0.47%	0.47%	-0.45%	-0.49%	0.96%	0.78%	4.65%	4.44%	6.61%	6.40%
<i>BC US Credit BAA</i>				-1.05%	-1.05%				0.35%	0.35%	-0.70%	-0.70%	-1.37%	-1.37%	3.19%	3.19%	5.16%	5.16%
TOTAL FIXED INCOME	557,968	65.0%	65.0%	-0.39%	-0.42%	569,907	64.9%	65.0%	0.62%	0.62%	0.23%	0.20%	2.40%	2.27%	5.00%	4.83%	6.51%	6.34%
<i>BC Aggregate</i>				-0.14%	-0.14%				0.70%	0.70%	0.55%	0.55%	1.85%	1.85%	1.82%	1.82%	3.35%	3.35%

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	Allocation			Month		Allocation			Month		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)	42,604			0.00%	0.00%	42,368			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	42,604	5.0%	5.0%	0.00%	0.00%	42,368	4.8%	5.0%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.10%	0.10%	0.17%	0.17%
<i>90 Day T-Bill</i>				<i>0.02%</i>	<i>0.02%</i>				<i>-0.01%</i>	<i>-0.01%</i>	<i>0.01%</i>	<i>0.01%</i>	<i>0.02%</i>	<i>0.02%</i>	<i>0.06%</i>	<i>0.06%</i>	<i>0.08%</i>	<i>0.08%</i>

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.