

CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2014

	June-14				March-14				December-13				September-13				Current FYTD		Prior Year FY13		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014						
	Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Allocation		Quarter		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net					
	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value									Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	
TOTAL INSURANCE TRUST	4,537,918,448	100.0%	100.0%	2.58%	2.53%	4,204,235,782	100.0%	100.0%	1.79%	1.73%	3,934,568,339	100.0%	100.0%	2.05%	2.02%	3,633,965,823	100.0%	100.0%	1.84%	1.78%	8.53%	8.30%	5.98%	5.77%	6.47%	6.23%	8.69%	8.43%	
<i>POLICY TARGET BENCHMARK</i>				2.47%	2.47%				1.41%	1.41%				1.36%	1.36%				1.74%	1.74%	7.17%	7.17%	2.91%	2.91%	4.64%	4.64%	6.12%	6.12%	
ATTRIBUTION ANALYSIS																													
Asset Allocation				-0.12%	-0.12%				-0.06%	-0.06%				-0.05%	-0.05%				0.10%	0.10%	-0.13%	-0.13%	0.08%	0.08%	-0.30%	-0.30%			
Manager Selection				0.23%	0.18%				0.73%	0.38%				0.00%	-0.06%				1.49%	1.26%	2.99%	2.78%	2.13%	1.89%	2.13%	1.89%			
TOTAL RELATIVE RETURN				0.12%	0.06%				0.38%	0.32%				0.68%	0.65%				0.10%	0.04%	1.36%	1.13%	3.08%	2.87%	1.83%	1.59%	2.58%	2.31%	
LARGE CAP DOMESTIC EQUITY																													
Los Angeles Capital	194,460,822	4.3%	4.3%	4.93%	4.88%	128,964,663	3.1%	3.1%	0.56%	0.52%	95,118,193	2.4%	2.2%	11.50%	11.46%	72,074,876	2.0%	1.9%	6.91%	6.85%	25.79%	25.57%	18.87%	18.66%	17.16%	16.94%	7.73%	7.51%	
<i>Russell 1000 Growth</i>				5.13%	5.13%				1.12%	1.12%				10.44%	10.44%				8.11%	8.11%	26.92%	26.92%	17.07%	17.07%	16.26%	16.26%	7.47%	7.47%	
LSV	195,194,430	4.3%	4.3%	4.05%	3.99%	132,200,596	3.1%	3.1%	3.71%	3.65%	92,951,525	2.4%	2.2%	12.57%	12.51%	71,168,228	2.0%	1.9%	5.64%	5.56%	28.33%	28.01%	32.50%	32.20%	19.09%	18.79%	8.24%	7.86%	
<i>Russell 1000 Value</i>				5.10%	5.10%				3.02%	3.02%				10.01%	10.01%				3.94%	3.94%	23.81%	23.81%	25.32%	25.32%	16.92%	16.92%	6.67%	6.67%	
Los Angeles Capital	128,722,952	2.8%	2.8%	4.90%	4.86%	85,728,378	2.0%	2.1%	0.80%	0.77%	61,892,534	1.6%	1.5%	11.30%	11.27%	47,586,325	1.3%	1.3%	5.61%	5.58%	24.29%	24.15%	21.58%	21.39%	17.14%	16.95%	8.08%	7.81%	
<i>Russell 1000</i>				5.12%	5.12%				2.05%	2.05%				10.23%	10.23%				6.02%	6.02%	25.36%	25.36%	21.24%	21.24%	16.63%	16.63%	7.12%	7.12%	
Clifton Group	129,463,256	2.9%	2.8%	5.41%	5.41%	86,570,673	2.1%	2.1%	2.33%	2.33%	61,095,620	1.6%	1.5%	10.10%	10.10%	46,975,010	1.3%	1.3%	5.05%	4.95%	24.75%	24.63%	20.94%	20.84%	16.93%	16.80%	19.96%	19.63%	
<i>S&P 500</i>				5.23%	5.23%				1.81%	1.81%				10.51%	10.51%				5.24%	5.24%	24.61%	24.61%	20.60%	20.60%	16.58%	16.58%	18.83%	18.83%	
TOTAL LARGE CAP DOMESTIC EQUITY	647,841,460	14.3%	14.2%	4.76%	4.72%	433,464,310	10.3%	10.3%	1.90%	1.86%	310,957,872	7.9%	7.4%	11.51%	11.47%	237,804,439	6.5%	6.4%	5.91%	5.84%	26.07%	25.85%	23.83%	23.63%	17.73%	17.51%	19.57%	19.28%	
<i>Russell 1000</i>				5.12%	5.12%				2.05%	2.05%				10.23%	10.23%				6.02%	6.02%	25.36%	25.36%	21.24%	21.24%	17.02%	17.02%	19.10%	19.10%	
SMALL CAP DOMESTIC EQUITY																													
Research Affiliates	90,785,271	2.0%	2.5%	1.61%	1.54%	76,475,279	1.8%	1.8%	0.57%	0.50%	56,090,755	1.4%	1.3%	10.81%	10.73%	43,096,448	1.2%	1.1%	10.11%	10.00%	24.68%	24.29%	30.62%	30.17%	16.34%	15.88%	22.98%	22.51%	
Clifton	138,373,676	3.0%	2.5%	2.51%	2.51%	76,846,679	1.8%	1.8%	1.74%	1.74%	55,318,555	1.4%	1.3%	8.52%	8.52%	42,870,551	1.2%	1.1%	10.15%	9.71%	24.67%	24.17%	25.51%	25.08%	15.76%	15.30%	22.16%	21.67%	
TOTAL SMALL CAP DOMESTIC EQUITY	229,158,947	5.0%	5.0%	2.08%	2.04%	153,321,958	3.6%	3.7%	1.09%	1.06%	111,409,310	2.8%	2.6%	9.69%	9.65%	85,966,999	2.4%	2.3%	10.23%	9.96%	24.78%	24.34%	28.04%	27.60%	16.10%	15.64%	22.49%	22.01%	
<i>Russell 2000</i>				2.05%	2.05%				1.12%	1.12%				8.72%	8.72%				10.21%	10.21%	23.64%	23.64%	24.21%	24.21%	14.57%	14.57%	20.21%	20.21%	
INTERNATIONAL EQUITY																													
Capital Group	218,401,315	4.8%	4.8%	2.67%	2.59%	144,605,775	3.4%	3.5%	-0.03%	-0.12%	99,063,222	2.5%	2.4%	5.40%	5.32%	74,911,153	2.1%	2.0%	11.57%	11.42%	20.70%	20.25%	20.78%	20.25%	8.58%	8.03%	12.11%	11.55%	
LSV	221,773,617	4.9%	4.8%	4.34%	4.23%	145,641,697	3.5%	3.5%	1.13%	1.03%	103,061,994	2.6%	2.4%	6.68%	6.60%	75,963,947	2.1%	2.0%	13.05%	12.92%	27.25%	26.77%	20.71%	20.23%	9.54%	9.04%	12.20%	11.69%	
<i>MSCI EAFE</i>				4.09%	4.09%				0.66%	0.66%				5.71%	5.71%				11.56%	11.56%	23.57%	23.57%	18.62%	18.62%	8.10%	8.10%	11.11%	11.11%	
DFA	54,852,861	1.2%	1.2%	2.11%	1.95%	37,410,219	0.9%	0.9%	6.26%	6.09%	26,014,390	0.7%	0.6%	7.94%	7.81%	18,945,722	0.5%	0.5%	16.61%	16.42%	36.58%	35.75%	24.89%	24.23%	12.25%	11.48%	16.48%	15.74%	
Vanguard	54,584,452	1.2%	1.2%	2.53%	2.46%	36,393,315	0.9%	0.9%	4.46%	4.34%	25,492,527	0.6%	0.6%	7.80%	7.69%	18,479,902	0.5%	0.5%	12.57%	12.45%	29.97%	29.46%	21.16%	20.74%	9.31%	8.86%	14.93%	14.49%	
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				3.61%	3.61%				3.08%	3.08%				3.42%	3.42%				14.42%	14.42%	26.39%	26.39%	18.05%	18.05%	8.21%	8.21%	13.10%	13.10%	
TOTAL INTERNATIONAL EQUITY	549,612,245	12.1%	12.1%	3.27%	3.17%	364,051,006	8.7%	8.7%	1.51%	1.41%	253,632,133	6.4%	6.1%	6.41%	6.32%	188,300,724	5.2%	4.9%	12.74%	12.60%	25.76%	25.26%	21.07%	20.56%	9.31%	8.77%	12.94%	12.39%	
<i>MSCI EAFE</i>				4.09%	4.09%				0.66%	0.66%				5.71%	5.71%				11.56%	11.56%	23.57%	23.57%	18.62%	18.62%	8.10%	8.10%	11.11%	11.11%	
FIXED INCOME																													
Western Asset	451,357,423	9.9%	10.2%	2.67%	2.63%	439,777,377	10.5%	10.7%	2.55%	2.52%	375,615,203	9.5%	9.7%	0.29%	0.26%	218,589,775	6.0%	8.6%	0.51%	0.47%	6.13%	5.99%	2.17%	1.99%	5.69%	5.52%	8.72%	8.54%	
Prudential	115,284,748	2.5%	2.6%	2.31%	2.24%	112,137,761	2.7%	2.7%	2.60%	2.53%	98,398,744	2.5%	2.4%	0.57%	0.50%	68,658,351	1.9%	1.9%	1.09%	1.01%	6.71%	6.42%	2.03%	1.74%	6.06%	5.76%	8.55%	8.25%	
PIMCO (DISCO II) (2)	75,713,476	1.7%	1.7%	2.32%	2.32%	73,998,876	1.8%	1.8%	3.35%	3.35%	71,601,354	1.8%	1.8%	3.84%	3.84%	93,781,714	2.6%	2.6%	2.01%	2.01%	12.02%	12.02%	33.07%	33.07%	N/A	N/A	N/A	N/A	
PIMCO (BRAVO II) (2)	12,720,786	0.3%	0.3%	9.02%	9.02%	9,425,824	0.2%	0.2%	13.89%	13.89%	5,000,000	0.1%	0.1%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
<i>BC Aggregate</i>				2.04%	2.04%				1.84%	1.84%				-0.14%	-0.14%				0.57%	0.57%	4.37%	4.37%	-0.69%	-0.69%	3.66%	3.66%	4.85%	4.85%	
Declaration (Mortgages)	-	0.0%	-0.3%	N/A	N/A	792,759	0.0%	-0.3%	1.26%	0.61%	27,180,857	0.7%	1.7%	0.45%	0.45%	56,878,782	1.6%	1.9%	0.72%	0.59%	N/A	N/A	2.49%	2.00%	N/A	N/A	N/A	N/A	
<i>BC Global Aggregate (US Securitized Portion)</i>									1.69%	1.69%				0.25%	0.25%				1.53%	1.53%		</							

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	June-14					March-14					December-13					September-13				Current FYTD		Prior Year FY13		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014		
	Allocation		Quarter			Allocation		Quarter			Allocation		Quarter			Allocation		Quarter		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	
	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net	Market Value	Actual	Policy ⁽¹⁾	Gross ⁽²⁾									Net
INFLATION PROTECTED ASSETS																												
Western	243,829,454	5.4%	5.3%	3.82%	3.78%	234,940,719	5.6%	5.6%	3.02%	2.99%	198,410,268	5.0%	5.5%	-0.36%	-0.40%	199,211,898	5.5%	5.7%	3.29%	3.25%	10.09%	9.91%	-3.22%	-3.41%	3.72%	3.54%	5.09%	4.84%
TIR - Eastern Timber Opps Fund (2)	63,725,267	1.4%	1.4%	6.88%	6.88%	60,133,283	1.4%	1.4%	5.18%	5.18%	57,170,198	1.5%	1.5%	-2.25%	-2.25%	61,853,153	1.7%	1.7%	0.00%	0.00%	9.89%	9.89%	3.36%	3.36%	5.69%	5.69%	4.13%	4.00%
JP Morgan (Infrastructure)	71,905,950	1.6%	1.6%	-1.41%	-1.63%	73,125,718	1.7%	1.7%	3.58%	3.35%	70,785,692	1.8%	1.8%	5.56%	5.29%	67,261,690	1.9%	1.9%	1.99%	1.71%	9.94%	8.88%	10.62%	9.56%	8.32%	7.19%	7.37%	6.07%
Grosvenor (formerly Credit Suisse) (Infrastructure) (2)	20,367,151	0.4%	0.4%	10.58%	10.58%	17,506,706	0.4%	0.4%	-0.23%	-0.23%	16,109,852	0.4%	0.4%	3.70%	3.70%	15,593,184	0.4%	0.4%	-1.32%	-1.32%	12.90%	12.90%	9.43%	9.43%	N/A	N/A	N/A	N/A
TOTAL INFLATION PROTECTED ASSETS	399,827,822	8.8%	8.7%	3.62%	3.55%	385,706,426	9.2%	9.2%	3.36%	3.29%	342,476,010	8.7%	9.2%	0.66%	0.58%	343,919,925	9.5%	9.7%	2.22%	2.14%	10.19%	9.88%	1.04%	0.73%	5.22%	4.90%	5.56%	5.20%
<i>BC Global Inflation Linked Index (3)</i>				3.60%	3.60%				2.79%	2.79%				-0.11%	-0.11%				3.81%	3.81%	10.42%	10.42%	-1.05%	-1.05%	4.44%	4.44%	5.54%	5.54%
REAL ESTATE																												
JP Morgan	132,860,965	2.9%	2.3%	2.58%	2.02%	106,264,545	2.5%	2.0%	2.10%	1.92%	68,314,703	1.7%	1.4%	4.82%	4.54%	66,186,020	1.8%	1.5%	0.31%	0.04%	10.12%	8.75%	23.90%	22.82%	17.19%	15.97%	13.24%	11.99%
Invesco	79,811,896	1.8%	2.3%	3.17%	3.07%	62,434,197	1.5%	2.0%	1.72%	1.61%	46,444,465	1.2%	1.4%	3.37%	3.27%	44,974,059	1.2%	1.5%	2.25%	2.05%	10.92%	10.38%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	212,672,860	4.7%	4.7%	2.80%	2.41%	168,698,742	4.0%	3.9%	1.96%	1.80%	114,759,168	2.9%	2.7%	4.25%	4.04%	111,160,079	3.1%	2.9%	1.09%	0.85%	10.45%	9.39%	19.68%	18.81%	15.96%	14.92%	12.53%	11.38%
<i>NCREIF Total Index</i>				2.91%	2.91%				2.74%	2.74%				2.53%	2.53%				2.59%	2.59%	11.21%	11.21%	10.72%	10.72%	11.32%	11.32%	9.67%	9.67%
CASH EQUIVALENTS																												
Northern Trust	71,888,654			0.00%	0.00%	115,631,471			0.00%	0.00%	116,967,600			0.00%	0.00%	219,402,541			0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	71,888,654	1.6%	1.5%	0.00%	0.00%	115,631,471	2.8%	1.9%	0.00%	0.00%	116,967,600	3.0%	2.0%	0.00%	0.00%	219,402,541	6.0%	2.1%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.17%	0.17%	0.24%	0.24%
<i>90 Day T-Bill</i>				0.01%	0.01%				0.01%	0.01%				0.02%	0.02%				0.02%	0.02%	0.06%	0.06%	0.11%	0.11%	0.08%	0.08%	0.11%	0.11%
SHORT TERM FIXED INCOME																												
Babson Capital - Short Term Bonds - Insurance Pool	238,945,099	5.3%	5.2%	0.66%	0.63%	233,009,538	5.5%	5.5%	0.59%	0.53%	233,633,209	5.9%	5.9%	0.62%	0.62%	230,826,860	6.4%	6.3%	0.50%	0.47%	2.39%	2.26%	1.89%	1.75%	N/A	N/A	N/A	N/A
Babson Capital - Short Term Bonds-Legacy Fund	255,376,231	5.6%	5.7%	0.87%	0.82%	359,381,713	8.5%	8.9%	0.73%	0.64%	572,052,163	14.5%	13.9%	0.62%	0.62%	572,418,022	15.8%	17.7%	0.57%	0.54%	2.82%	2.65%	1.83%	1.70%	N/A	N/A	N/A	N/A
BC 1-3 Year US Gov't Index				0.27%	0.27%				0.14%	0.14%				0.07%	0.07%				0.29%	0.29%	0.77%	0.77%	0.34%	0.34%				
Babson Capital - Bank Loans	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Credit Suisse Levered Loan Index</i>																												
JP Morgan-Insurance Pool	236,876,578	5.2%	5.2%	0.47%	0.47%	231,778,360	5.5%	5.5%	0.32%	0.28%	231,118,808	5.9%	5.9%	0.25%	0.25%	230,530,805	6.3%	6.3%	0.38%	0.29%	1.44%	1.31%	0.68%	0.58%	N/A	N/A	N/A	N/A
JP Morgan-Legacy Fund	245,865,422	5.4%	5.7%	0.36%	0.36%	351,177,414	8.4%	8.9%	0.32%	0.27%	491,930,815	12.5%	13.9%	0.22%	0.22%	568,142,841	15.6%	17.7%	0.45%	0.40%	1.36%	1.24%	0.65%	0.57%	N/A	N/A	N/A	N/A
BC 1-3 Year Gov/Credit Index				0.33%	0.33%				0.23%	0.23%				0.18%	0.18%				0.40%	0.40%	1.14%	1.14%	0.74%	0.74%				
TOTAL SHORT TERM FIXED INCOME	977,063,330	21.5%	21.8%	0.80%	0.58%	1,175,347,025	28.0%	28.9%	0.50%	0.44%	1,528,734,995	38.9%	39.5%	0.43%	0.43%	1,601,918,528	44.1%	48.1%	0.49%	0.45%	2.04%	1.90%	1.29%	1.18%	1.19%	1.07%	3.75%	3.63%
<i>BC 1-3 Year US Gov't Index (4)</i>				0.27%	0.27%				0.14%	0.14%				0.07%	0.07%				0.29%	0.29%	0.77%	0.77%	0.34%	0.34%				

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) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

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

(3) Prior to January 1, 2010, the benchmark was BC US TIPS Index.

(4) Prior to October 1, 2011, the benchmark was 90 Day T-bills.