

**CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2014**

	August-14					July-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net
		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net								
TOTAL INSURANCE TRUST	4,790,907,514	100.0%	100.0%	1.45%	1.43%	4,604,575,520	100.0%	100.0%	-0.79%	-0.81%	0.66%	0.61%	8.53%	8.30%	6.47%	6.23%	8.69%	8.43%
<i>POLICY TARGET BENCHMARK</i>				1.43%	1.43%				-0.89%	-0.89%	0.53%	0.53%	7.17%	7.17%	4.64%	4.64%	6.12%	6.12%
ATTRIBUTION ANALYSIS																		
<i>Asset Allocation</i>				-0.06%	-0.06%				0.03%	0.03%	-0.03%	-0.03%	-0.13%	-0.13%	-0.30%	-0.30%		
<i>Manager Selection</i>				0.09%	0.06%				0.07%	0.05%	0.16%	0.11%	1.49%	1.26%	2.13%	1.89%		
TOTAL RELATIVE RETURN				0.02%	0.00%				0.10%	0.08%	0.13%	0.08%	1.36%	1.13%	1.83%	1.59%	2.58%	2.31%
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	234,935,662	4.9%	4.9%	4.15%	4.11%	211,188,916	4.6%	4.6%	-0.74%	-0.74%	3.38%	3.34%	25.79%	25.57%	17.16%	16.94%	7.73%	7.51%
<i>Russell 1000 Growth</i>				4.58%	4.58%				-1.53%	-1.53%	2.98%	2.98%	26.92%	26.92%	16.26%	16.26%	7.47%	7.47%
LSV	232,775,316	4.9%	4.9%	3.79%	3.79%	209,747,149	4.6%	4.6%	-1.45%	-1.51%	2.28%	2.22%	28.33%	28.01%	19.09%	18.79%	8.24%	7.86%
<i>Russell 1000 Value</i>				3.68%	3.68%				-1.70%	-1.70%	1.91%	1.91%	23.81%	23.81%	16.92%	16.92%	6.67%	6.67%
Los Angeles Capital	156,404,686	3.3%	3.2%	3.77%	3.74%	140,098,136	3.0%	3.0%	-0.80%	-0.80%	2.94%	2.91%	24.29%	24.15%	17.14%	16.95%	8.08%	7.81%
<i>Russell 1000</i>				4.13%	4.13%				-1.62%	-1.62%	2.45%	2.45%	25.36%	25.36%	16.63%	16.63%	7.12%	7.12%
Clifton Group	155,761,751	3.3%	3.2%	4.15%	4.08%	140,010,585	3.0%	3.0%	-1.43%	-1.43%	2.66%	2.59%	24.75%	24.63%	16.93%	16.80%	19.96%	19.63%
<i>S&P 500</i>				4.00%	4.00%				-1.38%	-1.38%	2.57%	2.57%	24.61%	24.61%	16.58%	16.58%	18.83%	18.83%
TOTAL LARGE CAP DOMESTIC EQUITY	779,877,416	16.3%	16.2%	3.96%	3.93%	701,044,786	15.2%	15.2%	-1.12%	-1.13%	2.80%	2.75%	26.07%	25.85%	17.73%	17.51%	19.57%	19.28%
<i>Russell 1000</i>				4.13%	4.13%				-1.62%	-1.62%	2.45%	2.45%	25.36%	25.36%	17.02%	17.02%	19.10%	19.10%
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	89,464,685	1.9%	2.9%	4.49%	4.40%	85,694,130	1.9%	2.6%	-5.61%	-5.61%	-1.37%	-1.45%	24.68%	24.29%	16.34%	15.88%	22.98%	22.51%
Clifton	187,791,886	3.9%	2.9%	5.27%	5.06%	150,053,680	3.3%	2.6%	-6.13%	-6.13%	-1.18%	-1.38%	24.67%	24.17%	15.76%	15.30%	22.16%	21.67%
TOTAL SMALL CAP DOMESTIC EQUITY	277,256,571	5.8%	5.7%	4.97%	4.81%	235,747,810	5.1%	5.1%	-5.85%	-5.85%	-1.17%	-1.32%	24.78%	24.34%	16.10%	15.64%	22.49%	22.01%
<i>Russell 2000</i>				4.96%	4.96%				-6.05%	-6.05%	-1.39%	-1.39%	23.64%	23.64%	14.57%	14.57%	20.21%	20.21%
INTERNATIONAL EQUITY																		
Capital Group	256,989,554	5.4%	5.4%	0.05%	0.05%	238,862,779	5.2%	5.2%	-1.99%	-2.07%	-1.93%	-2.02%	20.70%	20.25%	8.58%	8.03%	12.11%	11.55%
LSV	257,124,014	5.4%	5.4%	-0.45%	-0.45%	240,215,919	5.2%	5.2%	-1.53%	-1.62%	-1.97%	-2.06%	27.25%	26.77%	9.54%	9.04%	12.20%	11.69%
<i>MSCI EAFE</i>				-0.15%	-0.15%				-1.97%	-1.97%	-2.12%	-2.12%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%
DFA	63,515,434	1.3%	1.3%	0.66%	0.66%	58,726,882	1.3%	1.3%	-3.51%	-3.51%	-2.87%	-2.87%	36.58%	35.75%	12.25%	11.48%	16.48%	15.74%
Vanguard (2)	64,024,678	1.3%	1.3%	0.62%	0.62%	59,269,348	1.3%	1.3%	-2.08%	-2.08%	-1.47%	-1.47%	29.97%	29.46%	9.31%	8.86%	14.93%	14.49%
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				0.63%	0.63%				-1.27%	-1.27%	-0.65%	-0.65%	26.39%	26.39%	8.21%	8.21%	13.10%	13.10%
TOTAL INTERNATIONAL EQUITY	641,653,679	13.4%	13.5%	-0.03%	-0.03%	597,074,928	13.0%	13.0%	-1.97%	-2.04%	-2.00%	-2.07%	25.76%	25.26%	9.31%	8.77%	12.94%	12.39%
<i>MSCI EAFE</i>				-0.15%	-0.15%				-1.97%	-1.97%	-2.12%	-2.12%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%
FIXED INCOME																		
Western Asset	486,503,370	10.2%	10.3%	1.23%	1.23%	464,780,472	10.1%	10.2%	-0.09%	-0.13%	1.14%	1.10%	6.13%	5.99%	5.69%	5.52%	8.72%	8.54%
Prudential	123,306,976	2.6%	2.6%	1.22%	1.15%	117,942,598	2.6%	2.6%	-0.21%	-0.21%	1.01%	0.94%	6.71%	6.42%	6.06%	5.76%	8.55%	8.25%
PIMCO (DISCO II) (2)	76,184,088	1.6%	1.6%	0.62%	0.62%	75,713,476	1.6%	1.6%	0.00%	0.00%	0.62%	0.62%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (2)	12,720,786	0.3%	0.3%	0.00%	0.00%	12,720,786	0.3%	0.3%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				1.10%	1.10%				-0.25%	-0.25%	0.85%	0.85%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%
Declaration (Total Return) (2)	135,836,581	2.8%	2.8%	-0.03%	-0.03%	128,911,075	2.8%	2.8%	0.00%	0.00%	-0.03%	-0.03%	N/A	N/A	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				0.02%	0.02%				0.02%	0.02%	0.04%	0.04%						
State Street	218,305,998	4.6%	4.5%	1.20%	1.20%	207,816,191	4.5%	4.5%	-0.11%	-0.11%	1.08%	1.08%	4.26%	4.23%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				1.20%	1.20%				-0.11%	-0.11%	1.09%	1.09%	4.28%	4.28%				
Wells Capital	495,437,883	10.3%	10.3%	1.62%	1.57%	472,013,075	10.3%	10.2%	-0.20%	-0.20%	1.42%	1.37%	10.01%	9.79%	7.70%	7.48%	10.19%	9.97%
<i>BC Credit Baa</i>				1.61%	1.61%				-1.40%	-1.40%	0.18%	0.18%	9.46%	9.46%	7.12%	7.12%	9.05%	9.05%
TOTAL FIXED INCOME	1,548,295,681	32.3%	32.3%	1.20%	1.17%	1,479,897,673	32.1%	32.1%	-0.12%	-0.13%	1.07%	1.04%	7.76%	7.60%	7.48%	7.29%	9.42%	9.23%
<i>BC Aggregate (2)</i>				1.10%	1.10%				-0.25%	-0.25%	0.85%	0.85%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%

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	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net	Gross ⁽²⁾	Net
		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net		Actual	Policy ⁽¹⁾	Gross ⁽²⁾	Net								
DIVERSIFIED REAL ASSETS (formerly Inflation Protected)																		
Western <i>BC Global Inflation Linked Index (3)</i>	246,213,805	5.1%	5.1%	1.30%	1.30%	243,047,740	5.3%	5.0%	-0.28%	-0.32%	1.02%	0.98%	10.09%	9.91%	3.72%	3.54%	5.09%	4.84%
				1.25%	1.25%				-0.57%	-0.57%	0.67%	0.67%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
TIR - Eastern Timber Opps Fund (2) <i>NCREIF Timberland Index</i>	62,217,470	1.3%	1.3%	0.00%	0.00%	63,725,267	1.4%	1.4%	0.00%	0.00%	0.00%	0.00%	9.89%	9.89%	5.69%	5.69%	4.13%	4.00%
				0.36%	0.36%				0.36%	0.36%	0.72%	0.72%	9.94%	9.94%	6.73%	6.73%	3.33%	3.33%
JP Morgan (Infrastructure)	75,830,499	1.6%	1.6%	5.74%	5.46%	71,905,950	1.6%	1.6%	0.00%	0.04%	5.74%	5.49%	9.94%	8.88%	8.32%	7.19%	7.37%	6.07%
Grosvenor (formerly Credit Suisse) (Infrastructure) (2) <i>CPI</i>	20,991,232	0.4%	0.4%	0.00%	0.00%	20,991,232	0.5%	0.5%	0.00%	0.00%	0.00%	0.00%	12.90%	12.90%	N/A	N/A	N/A	N/A
				-0.21%	-0.21%				-0.08%	-0.08%	-0.29%	-0.29%	2.05%	2.05%				
TOTAL DIVERSIFIED REAL ASSETS	405,253,006	8.5%	8.4%	1.83%	1.78%	399,670,189	8.7%	8.4%	-0.17%	-0.19%	1.65%	1.58%	10.19%	9.88%	5.22%	4.90%	5.56%	5.20%
<i>Benchmark (3) (5)</i>				0.76%	0.76%				-0.30%	-0.30%	0.46%	0.46%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
REAL ESTATE																		
JP Morgan	132,860,965	2.8%	2.4%	0.00%	0.00%	132,860,965	2.9%	2.4%	0.00%	0.04%	0.00%	0.04%	10.12%	8.75%	17.19%	15.97%	13.24%	11.99%
Invesco	94,107,498	2.0%	2.4%	0.00%	0.00%	94,811,807	2.1%	2.4%	0.00%	0.00%	0.00%	0.00%	10.92%	10.38%	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	226,968,462	4.7%	4.7%	0.00%	0.00%	227,672,771	4.9%	4.9%	0.00%	0.03%	0.01%	0.03%	10.45%	9.39%	15.96%	14.92%	12.53%	11.38%
<i>NCREIF Total Index</i>				0.96%	0.96%				0.96%	0.96%	1.93%	1.93%	11.21%	11.21%	11.32%	11.32%	9.67%	9.67%
CASH EQUIVALENTS																		
Northern Trust (2)	74,842,647			0.00%	0.00%	58,510,573			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	74,842,647	1.6%	1.7%	0.00%	0.00%	58,510,573	1.3%	1.5%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%
<i>90 Day T-Bill</i>				0.00%	0.00%				0.00%	0.00%	0.01%	0.01%	0.06%	0.06%	0.08%	0.08%	0.11%	0.11%
SHORT TERM FIXED INCOME																		
Babson Capital - Short Term Bonds - Insurance Pool	239,581,477	5.0%	5.0%	0.45%	0.41%	238,603,534	5.2%	5.2%	-0.14%	-0.14%	0.30%	0.27%	2.39%	2.26%	N/A	N/A	N/A	N/A
Babson Capital - Short Term Bonds-Legacy Fund <i>BC 1-3 Year US Gov't Index</i>	185,137,125	3.9%	3.8%	0.53%	0.48%	219,593,642	4.8%	4.7%	-0.11%	-0.11%	0.42%	0.37%	2.82%	2.65%	N/A	N/A	N/A	N/A
				0.17%	0.17%				-0.08%	-0.08%	0.09%	0.09%	0.77%	0.77%				
JP Morgan-Insurance Pool	237,129,610	4.9%	5.0%	0.22%	0.22%	236,618,251	5.1%	5.2%	-0.09%	-0.11%	0.13%	0.11%	1.44%	1.31%	N/A	N/A	N/A	N/A
JP Morgan-Legacy Fund <i>BC 1-3 Year Gov/Credit Index</i>	174,911,840	3.7%	3.8%	0.13%	0.13%	210,141,363	4.6%	4.7%	-0.06%	-0.09%	0.08%	0.04%	1.36%	1.24%	N/A	N/A	N/A	N/A
				0.18%	0.18%				-0.07%	-0.07%	0.12%	0.12%	1.14%	1.14%				
TOTAL SHORT TERM FIXED INCOME	836,760,051	17.5%	17.5%	0.33%	0.31%	904,956,790	19.7%	19.7%	-0.10%	-0.11%	0.23%	0.20%	2.04%	1.90%	1.19%	1.07%	3.75%	3.63%
<i>BC 1-3 Year US Gov't Index (4)</i>				0.17%	0.17%				-0.08%	-0.08%	0.09%	0.09%	0.77%	0.77%				

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 (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.

(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.

(5) From January 1, 2010 to June 30, 2014 the benchmark was BC Global Inflation Linked Index. Beginning July 1, 2014, the benchmark is a weighted average of the sub-class benchmarks.