

INSURANCE REGULATORY TRUST FUND
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 ⁽¹⁾	Net	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	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net		
TOTAL INSURANCE REGULATORY TRUST	1,146,038	100.0%	100.0%	2.15%	2.12%	1,122,648	100.0%	100.0%	1.33%	1.29%	1,107,837	100.0%	100.0%	3.30%	3.27%	1,073,149	100.0%	100.0%	2.91%	2.86%	10.03%	9.88%	8.65%	8.49%	7.19%	7.02%	8.75%	8.57%		
<i>POLICY TARGET BENCHMARK</i>				<i>2.00%</i>	<i>2.00%</i>				<i>1.12%</i>	<i>1.12%</i>				<i>2.45%</i>	<i>2.45%</i>				<i>2.76%</i>	<i>2.76%</i>	<i>8.59%</i>	<i>8.59%</i>	<i>5.75%</i>	<i>5.75%</i>	<i>5.51%</i>	<i>5.51%</i>	<i>6.80%</i>	<i>6.80%</i>		
ATTRIBUTION ANALYSIS																														
Asset Allocation				0.00%	0.00%				-0.13%	-0.13%				0.13%	0.13%				-0.05%	-0.05%	-0.05%	-0.05%	0.09%	0.09%	0.02%	0.02%				
Manager Selection				0.15%	0.12%				0.34%	0.30%				0.72%	0.69%				0.19%	0.14%	1.49%	1.34%	2.81%	2.65%	1.66%	1.49%				
TOTAL RELATIVE RETURN				0.15%	0.12%				0.21%	0.17%				0.85%	0.82%				0.14%	0.09%	1.44%	1.29%	2.90%	2.74%	1.68%	1.51%				
LARGE CAP DOMESTIC EQUITY																														
Los Angeles Capital	51,472	4.5%	4.5%	4.93%	4.88%	50,251	4.5%	4.5%	0.56%	0.52%	55,564	5.0%	4.5%	11.50%	11.46%	49,411	4.6%	4.5%	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>				<i>5.13%</i>	<i>5.13%</i>				<i>1.12%</i>	<i>1.12%</i>				<i>10.44%</i>	<i>10.44%</i>				<i>8.11%</i>	<i>8.11%</i>	<i>26.92%</i>	<i>26.92%</i>	<i>17.07%</i>	<i>17.07%</i>	<i>16.26%</i>	<i>16.26%</i>	<i>7.47%</i>	<i>7.47%</i>		
LSV	51,666	4.5%	4.5%	4.05%	3.99%	51,512	4.6%	4.5%	3.71%	3.65%	54,240	4.9%	4.5%	12.57%	12.51%	48,790	4.5%	4.5%	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>				<i>5.10%</i>	<i>5.10%</i>				<i>3.02%</i>	<i>3.02%</i>				<i>10.01%</i>	<i>10.01%</i>				<i>3.94%</i>	<i>3.94%</i>	<i>23.81%</i>	<i>23.81%</i>	<i>25.32%</i>	<i>25.32%</i>	<i>16.92%</i>	<i>16.92%</i>	<i>6.67%</i>	<i>6.67%</i>		
LA Capital	34,072	3.0%	3.0%	4.90%	4.86%	33,404	3.0%	3.0%	0.80%	0.77%	36,155	3.3%	3.0%	11.30%	11.27%	32,623	3.0%	3.0%	5.61%	5.58%	24.29%	24.15%	21.58%	21.39%	17.14%	16.95%	8.08%	7.81%		
<i>Russell 1000</i>				<i>5.12%</i>	<i>5.12%</i>				<i>2.05%</i>	<i>2.05%</i>				<i>10.23%</i>	<i>10.23%</i>				<i>6.02%</i>	<i>6.02%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>7.12%</i>	<i>7.12%</i>		
Clifton Group	34,268	3.0%	3.0%	5.41%	5.41%	33,733	3.0%	3.0%	2.33%	2.33%	35,690	3.2%	3.0%	10.10%	10.10%	32,204	3.0%	3.0%	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>				<i>5.23%</i>	<i>5.23%</i>				<i>1.81%</i>	<i>1.81%</i>				<i>10.51%</i>	<i>10.51%</i>				<i>5.24%</i>	<i>5.24%</i>	<i>24.61%</i>	<i>24.61%</i>	<i>20.60%</i>	<i>20.60%</i>	<i>16.58%</i>	<i>16.58%</i>	<i>18.83%</i>	<i>18.83%</i>		
TOTAL LARGE CAP DOMESTIC EQUITY	171,478	15.0%	15.0%	4.76%	4.72%	168,901	15.0%	15.0%	1.90%	1.86%	181,649	16.4%	15.0%	11.51%	11.47%	163,028	15.2%	15.0%	5.91%	5.84%	26.07%	25.85%	23.83%	23.63%	17.73%	17.51%	19.57%	19.28%		
<i>Russell 1000</i>				<i>5.12%</i>	<i>5.12%</i>				<i>2.05%</i>	<i>2.05%</i>				<i>10.23%</i>	<i>10.23%</i>				<i>6.02%</i>	<i>6.02%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>17.02%</i>	<i>17.02%</i>	<i>19.10%</i>	<i>19.10%</i>		
SMALL CAP DOMESTIC EQUITY																														
Research Affiliates	22,693	2.0%	2.5%	1.61%	1.54%	27,889	2.5%	2.5%	0.57%	0.50%	30,960	2.8%	2.5%	10.81%	10.73%	28,124	2.6%	2.5%	10.11%	10.00%	24.68%	24.29%	30.62%	30.17%	16.34%	15.88%	22.98%	22.51%		
Clifton	34,589	3.0%	2.5%	2.51%	2.51%	28,024	2.5%	2.5%	1.74%	1.74%	30,534	2.8%	2.5%	8.52%	8.52%	27,977	2.6%	2.5%	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	57,283	5.0%	5.0%	2.08%	2.04%	55,913	5.0%	5.0%	1.09%	1.06%	61,495	5.6%	5.0%	9.69%	9.65%	56,101	5.2%	5.0%	10.23%	9.96%	24.78%	24.34%	28.04%	27.60%	16.10%	15.64%	22.49%	22.01%		
<i>Russell 2000</i>				<i>2.05%</i>	<i>2.05%</i>				<i>1.12%</i>	<i>1.12%</i>				<i>8.72%</i>	<i>8.72%</i>				<i>10.21%</i>	<i>10.21%</i>	<i>23.64%</i>	<i>23.64%</i>	<i>24.21%</i>	<i>24.21%</i>	<i>14.57%</i>	<i>14.57%</i>	<i>20.21%</i>	<i>20.21%</i>		
INTERNATIONAL EQUITY																														
Capital Group	45,686	4.0%	4.0%	2.67%	2.59%	44,263	3.9%	4.0%	-0.03%	-0.12%	47,042	4.2%	4.0%	5.40%	5.32%	45,077	4.2%	4.0%	11.57%	11.42%	20.70%	20.25%	20.78%	20.25%	8.58%	8.03%	12.11%	11.55%		
LSV	46,392	4.0%	4.0%	4.34%	4.23%	44,580	4.0%	4.0%	1.13%	1.03%	48,940	4.4%	4.0%	6.68%	6.60%	45,710	4.3%	4.0%	13.05%	12.92%	27.25%	26.77%	20.71%	20.23%	9.54%	9.04%	12.20%	11.69%		
<i>MSCI EAFE</i>				<i>4.09%</i>	<i>4.09%</i>				<i>0.66%</i>	<i>0.66%</i>				<i>5.71%</i>	<i>5.71%</i>				<i>11.56%</i>	<i>11.56%</i>	<i>23.57%</i>	<i>23.57%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>11.11%</i>	<i>11.11%</i>		
DFA	11,474	1.0%	1.0%	2.11%	1.95%	11,451	1.0%	1.0%	6.26%	6.09%	12,353	1.1%	1.0%	7.94%	7.81%	11,400	1.1%	1.0%	16.61%	16.42%	36.58%	35.75%	24.89%	24.23%	12.25%	11.48%	16.48%	15.74%		
Vanguard	11,418	1.0%	1.0%	2.53%	2.46%	11,140	1.0%	1.0%	4.46%	4.34%	12,105	1.1%	1.0%	7.80%	7.69%	11,120	1.0%	1.0%	12.57%	12.45%	29.97%	29.46%	21.16%	20.74%	9.31%	8.86%	14.93%	14.49%		
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				<i>3.61%</i>	<i>3.61%</i>				<i>3.08%</i>	<i>3.08%</i>				<i>3.42%</i>	<i>3.42%</i>				<i>14.42%</i>	<i>14.42%</i>	<i>26.39%</i>	<i>26.39%</i>	<i>18.05%</i>	<i>18.05%</i>	<i>8.21%</i>	<i>8.21%</i>	<i>8.21%</i>	<i>13.10%</i>		
TOTAL INTERNATIONAL EQUITY	114,971	10.0%	10.0%	3.27%	3.17%	111,433	9.9%	10.0%	1.51%	1.41%	120,441	10.9%	10.0%	6.41%	6.32%	113,308	10.6%	10.0%	12.74%	12.60%	25.76%	25.26%	21.07%	20.56%	9.31%	8.77%	12.94%	12.39%		
<i>MSCI EAFE</i>				<i>4.09%</i>	<i>4.09%</i>				<i>0.66%</i>	<i>0.66%</i>				<i>5.71%</i>	<i>5.71%</i>				<i>11.56%</i>	<i>11.56%</i>	<i>23.57%</i>	<i>23.57%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>11.11%</i>	<i>11.11%</i>		

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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 ⁽¹⁾	Net	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	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net		
FIXED INCOME																														
Western Asset	125,458	10.9%	11.2%	2.67%	2.63%	123,914	11.0%	11.2%	2.55%	2.52%	117,910	10.6%	11.2%	0.29%	0.26%	96,065	9.0%	12.8%	0.51%	0.47%	6.13%	5.99%	2.17%	1.99%	5.69%	5.52%	8.72%	8.54%		
Prudential	32,044	2.8%	2.8%	2.31%	2.24%	31,597	2.8%	2.8%	2.60%	2.53%	30,889	2.8%	2.8%	0.57%	0.50%	30,174	2.8%	2.8%	1.09%	1.01%	6.71%	6.42%	2.03%	1.74%	6.06%	5.76%	8.55%	8.25%		
PIMCO (DiSCO) (1)	21,045	1.8%	1.8%	2.32%	2.32%	20,850	1.9%	1.9%	3.35%	3.35%	22,477	2.0%	2.0%	3.84%	3.84%	41,215	3.8%	3.8%	2.01%	2.01%	12.02%	12.02%	33.07%	33.07%	N/A	N/A	N/A	N/A		
PIMCO (BRAVO II) (1)	3,536	0.3%	0.3%	9.02%	9.02%	2,656	0.2%	0.2%	13.89%	13.89%	1,570	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		
BC Aggregate				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 (Mortgage)	-	0.0%	-0.3%	N/A	N/A	223	0.0%	-0.3%	1.26%	0.61%	8,532	0.8%	2.0%	0.45%	0.45%	24,997	2.3%	2.8%	0.72%	0.59%	N/A	N/A	2.49%	2.00%	N/A	N/A	N/A	N/A		
BC Global Aggregate (US Securitized Portion)									1.69%	1.69%				0.25%	0.25%				1.53%	1.53%			1.34%	1.34%						
Declaration (Total Return)	35,832	3.1%	3.1%	3.02%	3.02%	35,264	3.1%	3.1%	1.43%	1.43%	8,788	0.8%	0.8%	N/A	N/A	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
3m LIBOR																														
State Street	57,188	5.0%	4.9%	1.92%	1.91%	56,885	5.1%	4.9%	1.98%	1.97%	54,281	4.9%	4.9%	-0.05%	-0.06%	53,758	5.0%	4.9%	0.36%	0.36%	4.26%	4.23%	N/A	N/A	N/A	N/A	N/A	N/A		
BC Gov/Credit				1.92%	1.92%				1.98%	1.98%				-0.03%	-0.03%				0.36%	0.36%	4.28%	4.28%								
Wells Capital	127,894	11.2%	11.2%	3.49%	3.43%	125,341	11.2%	11.2%	3.75%	3.70%	118,321	10.7%	11.2%	1.49%	1.45%	125,365	11.7%	12.8%	0.95%	0.89%	10.01%	9.79%	3.19%	2.97%	7.70%	7.48%	10.19%	9.97%		
BC US Credit BAA				3.43%	3.43%				3.62%	3.62%				1.35%	1.35%				0.77%	0.77%	9.46%	9.46%	1.77%	1.77%	7.12%	7.12%	9.05%	9.05%		
TOTAL FIXED INCOME	402,997	35.2%	35.0%	2.85%	2.82%	396,731	35.3%	35.0%	2.92%	2.88%	362,767	32.7%	35.0%	0.93%	0.89%	371,574	34.6%	35.0%	0.86%	0.82%	7.76%	7.60%	4.90%	4.71%	7.48%	7.29%	9.42%	9.23%		
BC Aggregate				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%		
CASH EQUIVALENTS																														
Northern Trust	399,310			0.00%	0.00%	389,670			0.00%	0.00%	381,485			0.00%	0.00%	369,139			0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A	N/A	N/A		
TOTAL CASH EQUIVALENTS	399,310	34.8%	35.0%	0.00%	0.00%	389,670	34.7%	35.0%	0.00%	0.00%	381,485	34.4%	35.0%	0.00%	0.00%	369,139	34.4%	35.0%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.17%	0.17%	0.24%	0.24%		
90 Day T-Bill				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%		

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 investments' returns will only be reported net of fees, which is standard practice by the investment consultant.