

STATE RISK MANAGEMENT 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 RISK MANAGEMENT FUND | 6,948,162 | 100.0% | 100.0% | 3.10% | 3.06% | 6,738,970 | 100.0% | 100.0% | 2.22% | 2.18% | 6,593,046 | 100.0% | 100.0% | 3.99% | 3.96% | 6,343,931 | 100.0% | 100.0% | 2.64% | 2.57% | 12.48% | 12.29% | 10.39% | 10.19% | 10.22% | 10.02% | 12.28% | 12.06% | | |
| <i>POLICY TARGET BENCHMARK</i> | | | | 2.65% | 2.65% | | | | 1.78% | 1.78% | | | | 2.80% | 2.80% | | | | 2.50% | 2.50% | 10.09% | 10.09% | 5.78% | 5.78% | 7.39% | 7.39% | 9.06% | 9.06% | | |
| ATTRIBUTION ANALYSIS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Asset Allocation | | | | 0.00% | 0.00% | | | | -0.12% | -0.12% | | | | 0.09% | 0.09% | | | | -0.03% | -0.03% | -0.06% | -0.06% | 0.03% | 0.03% | 0.06% | 0.06% | | | | |
| Manager Selection | | | | 0.45% | 0.41% | | | | 0.56% | 0.52% | | | | 1.09% | 1.06% | | | | 0.17% | 0.11% | 2.45% | 2.26% | 4.58% | 4.37% | 2.77% | 2.57% | | | | |
| TOTAL RELATIVE RETURN | | | | 0.45% | 0.42% | | | | 0.44% | 0.40% | | | | 1.19% | 1.15% | | | | 0.14% | 0.08% | 2.39% | 2.21% | 4.61% | 4.41% | 2.83% | 2.63% | 3.22% | 3.00% | | |
| LARGE CAP DOMESTIC EQUITY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Los Angeles Capital | 467,588 | 6.7% | 6.8% | 4.93% | 4.88% | 450,680 | 6.7% | 6.8% | 0.56% | 0.52% | 486,992 | 7.4% | 6.8% | 11.50% | 11.46% | 433,065 | 6.8% | 6.8% | 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 | 469,352 | 6.8% | 6.8% | 4.05% | 3.99% | 461,988 | 6.9% | 6.8% | 3.71% | 3.65% | 475,387 | 7.2% | 6.8% | 12.57% | 12.51% | 427,617 | 6.7% | 6.8% | 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% | | |
| LA Capital | 309,519 | 4.5% | 4.5% | 4.90% | 4.86% | 299,586 | 4.4% | 4.5% | 0.80% | 0.77% | 316,881 | 4.8% | 4.5% | 11.30% | 11.27% | 285,924 | 4.5% | 4.5% | 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 | 311,299 | 4.5% | 4.5% | 5.41% | 5.41% | 302,530 | 4.5% | 4.5% | 2.33% | 2.33% | 312,801 | 4.7% | 4.5% | 10.10% | 10.10% | 282,251 | 4.4% | 4.5% | 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 | 1,557,757 | 22.4% | 22.5% | 4.76% | 4.72% | 1,514,784 | 22.5% | 22.5% | 1.90% | 1.86% | 1,592,060 | 24.1% | 22.5% | 11.51% | 11.47% | 1,428,857 | 22.5% | 22.5% | 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 | 205,906 | 3.0% | 3.8% | 1.61% | 1.54% | 250,047 | 3.7% | 3.8% | 0.57% | 0.50% | 269,862 | 4.1% | 3.8% | 10.81% | 10.73% | 245,138 | 3.9% | 3.8% | 10.11% | 10.00% | 24.68% | 24.29% | 30.62% | 30.17% | 16.34% | 15.88% | 22.98% | 22.51% | | |
| Clifton | 313,839 | 4.5% | 3.8% | 2.51% | 2.51% | 251,261 | 3.7% | 3.8% | 1.74% | 1.74% | 266,146 | 4.0% | 3.8% | 8.52% | 8.52% | 243,854 | 3.8% | 3.8% | 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 | 519,746 | 7.5% | 7.5% | 2.08% | 2.04% | 501,308 | 7.4% | 7.5% | 1.09% | 1.06% | 536,008 | 8.1% | 7.5% | 9.69% | 9.65% | 488,992 | 7.7% | 7.5% | 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% | | |
| FIXED INCOME | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Western Asset | 1,410,965 | 20.3% | 20.8% | 2.67% | 2.63% | 1,370,521 | 20.3% | 20.8% | 2.55% | 2.52% | 1,327,791 | 20.1% | 20.7% | 0.29% | 0.26% | 1,062,227 | 16.7% | 23.7% | 0.51% | 0.47% | 6.13% | 5.99% | 2.17% | 1.99% | 5.69% | 5.52% | 8.72% | 8.54% | | |
| Prudential | 360,386 | 5.2% | 5.2% | 2.31% | 2.24% | 349,466 | 5.2% | 5.2% | 2.60% | 2.53% | 347,837 | 5.3% | 5.2% | 0.57% | 0.50% | 333,642 | 5.3% | 5.2% | 1.09% | 1.01% | 6.71% | 6.42% | 2.03% | 1.74% | 6.06% | 5.76% | 8.55% | 8.25% | | |
| PIMCO (DiSCO) (1) | 236,684 | 3.4% | 3.4% | 2.32% | 2.32% | 230,610 | 3.4% | 3.4% | 3.35% | 3.35% | 253,109 | 3.8% | 3.8% | 3.84% | 3.84% | 455,728 | 7.2% | 7.2% | 2.01% | 2.01% | 12.02% | 12.02% | 33.07% | 33.07% | N/A | N/A | N/A | N/A | | |
| PIMCO (BRAVO II) (1) | 39,766 | 0.6% | 0.6% | 9.02% | 9.02% | 29,375 | 0.4% | 0.4% | 13.89% | 13.89% | 17,675 | 0.3% | 0.3% | 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 (Mortgage) | - | 0.0% | -0.6% | N/A | N/A | 2,471 | 0.0% | -0.6% | 1.26% | 0.61% | 96,084 | 1.5% | 3.7% | 0.45% | 0.45% | 276,400 | 4.4% | 5.2% | 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% | | | | 1.69% | 1.69% | | | | 0.25% | 0.25% | | | | 1.53% | 1.53% | N/A | N/A | 1.34% | 1.34% | N/A | N/A | N/A | N/A | | |
| Declaration (Total Return) | 402,982 | 5.8% | 5.8% | 3.02% | 3.02% | 390,030 | 5.8% | 5.8% | 1.43% | 1.43% | 98,963 | 1.5% | 1.5% | 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 | | |
| <i>3m LIBOR</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| State Street | 643,169 | 9.3% | 9.1% | 1.92% | 1.91% | 629,166 | 9.3% | 9.1% | 1.98% | 1.97% | 611,260 | 9.3% | 9.1% | -0.05% | -0.06% | 594,427 | 9.4% | 9.1% | 0.36% | 0.36% | 4.26% | 4.23% | N/A | N/A | N/A | N/A | N/A | N/A | | |
| <i>BC Gov/Credit</i> | | | | 1.92% | 1.92% | | | | 1.98% | 1.98% | | | | -0.03% | -0.03% | | | | 0.36% | 0.36% | 4.28% | 4.28% | | | | | | | | |
| Wells Capital | 1,438,359 | 20.7% | 20.8% | 3.49% | 3.43% | 1,386,295 | 20.6% | 20.8% | 3.75% | 3.70% | 1,332,410 | 20.2% | 20.7% | 1.49% | 1.45% | 1,386,209 | 21.9% | 23.7% | 0.95% | 0.89% | 10.01% | 9.79% | 3.19% | 2.97% | 7.70% | 7.48% | 10.19% | 9.97% | | |
| <i>BC US Credit BAA</i> | | | | 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 | 4,532,311 | 65.2% | 65.0% | 2.85% | 2.82% | 4,387,933 | 65.1% | 65.0% | 2.92% | 2.88% | 4,085,128 | 62.0% | 65.0% | 0.93% | 0.89% | 4,108,633 | 64.8% | 65.0% | 0.86% | 0.82% | 7.76% | 7.60% | 4.90% | 4.71% | 7.48% | 7.29% | 9.42% | 9.23% | | |
| <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% | | |
| CASH EQUIVALENTS | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Northern Trust | 338,349 | | | 0.00% | 0.00% | 334,946 | | | 0.00% | 0.00% | 379,850 | | | 0.00% | 0.00% | 317,450 | | | 0.00% | 0.00% | 0.01% | 0.01% | N/A | N/A | N/A | N/A | N/A | N/A | | |
| TOTAL CASH EQUIVALENTS | 338,349 | 4.9% | 5.0% | 0.00% | 0.00% | 334,946 | 5.0% | 5.0% | 0.00% | 0.00% | 379,850 | 5.8% | 5.0% | 0.00% | 0.00% | 317,450 | 5.0% | 5.0% | 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% | | |

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.