

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2013**

	August-13					July-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Market Value	Allocation		Month		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net								
TOTAL RISK MANAGEMENT WC FUND	5,292,732	100.0%	100.0%	-1.49%	-1.50%	5,405,739	100.0%	100.0%	2.53%	2.51%	1.00%	0.97%	11.82%	11.61%	11.92%	11.69%	7.55%	
<i>POLICY TARGET BENCHMARK</i>				<i>-1.37%</i>	<i>-1.37%</i>				<i>2.21%</i>	<i>2.21%</i>	<i>0.82%</i>	<i>0.82%</i>	<i>7.31%</i>	<i>7.31%</i>	<i>9.11%</i>	<i>9.11%</i>	<i>6.41%</i>	
ATTRIBUTION ANALYSIS																		
Asset Allocation				-0.03%	-0.03%				0.02%	0.02%	-0.01%	-0.01%	0.01%	0.01%	0.04%	0.04%		
Manager Selection				-0.09%	-0.10%				0.29%	0.28%	0.20%	0.17%	4.50%	4.29%	2.77%	2.54%		
TOTAL RELATIVE RETURN				-0.12%	-0.14%				0.31%	0.30%	0.19%	0.15%	4.51%	4.30%	2.81%	2.58%		
LARGE CAP DOMESTIC EQUITY																		
Los Angeles Capital	437,139	8.3%	8.3%	-2.30%	-2.31%	456,461	8.4%	8.3%	5.26%	5.25%	2.84%	2.81%	18.87%	18.66%	19.01%	18.80%	7.73%	
<i>Russell 1000 Growth</i>				<i>-1.71%</i>	<i>-1.71%</i>				<i>5.30%</i>	<i>5.30%</i>	<i>3.50%</i>	<i>3.50%</i>	<i>17.07%</i>	<i>17.07%</i>	<i>18.68%</i>	<i>18.68%</i>	<i>7.47%</i>	
LSV	436,068	8.2%	8.3%	-3.52%	-3.54%	476,001	8.8%	8.3%	6.39%	6.37%	2.64%	2.60%	32.50%	32.20%	20.05%	19.73%	8.24%	
<i>Russell 1000 Value</i>				<i>-3.79%</i>	<i>-3.79%</i>				<i>5.40%</i>	<i>5.40%</i>	<i>1.40%</i>	<i>1.40%</i>	<i>25.32%</i>	<i>25.32%</i>	<i>18.51%</i>	<i>18.51%</i>	<i>6.67%</i>	
LA Capital	291,561	5.5%	5.6%	-2.83%	-2.84%	313,135	5.8%	5.6%	5.68%	5.66%	2.69%	2.66%	21.58%	21.39%	19.18%	18.90%	8.08%	
<i>Russell 1000</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.63%</i>	<i>18.63%</i>	<i>7.12%</i>	
Clifton Group (moved from fixed 11/1/08)	287,041	5.4%	5.6%	-3.03%	-3.04%	303,067	5.6%	5.6%	4.95%	4.94%	1.77%	1.76%	20.94%	20.84%	19.20%	19.00%	N/A	
<i>S&P 500</i>				<i>-2.90%</i>	<i>-2.90%</i>				<i>5.09%</i>	<i>5.09%</i>	<i>2.04%</i>	<i>2.04%</i>	<i>20.60%</i>	<i>20.60%</i>	<i>18.45%</i>	<i>18.45%</i>		
TOTAL LARGE CAP DOMESTIC EQUITY	1,451,810	27.4%	27.8%	-2.93%	-2.94%	1,548,664	28.6%	27.8%	5.63%	5.61%	2.54%	2.51%	23.83%	23.63%	19.34%	19.08%	5.28%	
<i>S&P 500</i>				<i>-2.76%</i>	<i>-2.76%</i>				<i>5.35%</i>	<i>5.35%</i>	<i>2.45%</i>	<i>2.45%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.66%</i>	<i>18.66%</i>	<i>7.12%</i>	
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	240,657	4.5%	4.6%	-3.65%	-3.68%	265,859	4.9%	4.6%	6.85%	6.82%	2.95%	2.89%	30.62%	30.17%	20.28%	19.80%	11.06%	
Clifton	240,358	4.5%	4.6%	-3.18%	-3.21%	260,992	4.8%	4.6%	6.79%	6.76%	3.39%	3.33%	25.51%	25.08%	20.17%	19.70%	N/A	
TOTAL SMALL CAP DOMESTIC EQUITY	481,016	9.1%	9.3%	-3.42%	-3.45%	526,851	9.7%	9.3%	6.82%	6.79%	3.17%	3.11%	28.04%	27.60%	20.25%	19.77%	10.27%	
<i>Russell 2000</i>				<i>-3.18%</i>	<i>-3.18%</i>				<i>7.00%</i>	<i>7.00%</i>	<i>3.60%</i>	<i>3.60%</i>	<i>24.21%</i>	<i>24.21%</i>	<i>18.67%</i>	<i>18.67%</i>	<i>8.77%</i>	
FIXED INCOME																		
Western Asset	826,817	15.6%	21.8%	-0.46%	-0.47%	789,688	14.6%	21.9%	-0.01%	-0.02%	-0.47%	-0.50%	2.17%	1.99%	6.29%	6.10%	7.14%	
Prudential	258,482	4.9%	4.8%	-0.81%	-0.83%	290,666	5.4%	4.8%	1.33%	1.31%	0.51%	0.46%	2.03%	1.74%	6.55%	6.25%	8.13%	
PIMCO (DiSCO) (2)	355,443	6.7%	6.7%	0.27%	0.27%	356,803	6.6%	6.6%	1.00%	1.00%	1.27%	1.27%	33.07%	33.07%	N/A	N/A	N/A	
<i>BC Aggregate</i>				<i>-0.51%</i>	<i>-0.51%</i>				<i>0.14%</i>	<i>0.14%</i>	<i>-0.37%</i>	<i>-0.37%</i>	<i>-0.69%</i>	<i>-0.69%</i>	<i>3.51%</i>	<i>3.51%</i>	<i>5.19%</i>	
Declaration	214,245	4.0%	4.8%	-0.22%	-0.26%	216,943	4.0%	4.8%	-0.03%	-0.07%	-0.25%	-0.33%	2.49%	2.00%	6.76%	6.27%	N/A	
<i>BC Global Aggregate (US Securitized Portion)</i>				<i>-0.42%</i>	<i>-0.42%</i>				<i>0.54%</i>	<i>0.54%</i>	<i>0.12%</i>	<i>0.12%</i>	<i>1.34%</i>	<i>1.34%</i>	<i>4.73%</i>	<i>4.73%</i>		
State Street	463,472	8.8%	8.4%	-0.62%	-0.62%	469,444	8.7%	8.4%	0.22%	0.22%	-0.40%	-0.40%	N/A	N/A	N/A	N/A	N/A	
<i>BC Gov/Credit</i>				<i>-0.61%</i>	<i>-0.61%</i>				<i>0.23%</i>	<i>0.23%</i>	<i>-0.39%</i>	<i>-0.39%</i>	<i>-0.62%</i>	<i>-0.62%</i>				
Wells Capital (formerly Strong)	1,079,134	20.4%	21.8%	-0.83%	-0.85%	1,045,196	19.3%	21.9%	0.83%	0.81%	-0.01%	-0.04%	3.19%	2.97%	7.43%	7.21%	9.56%	
<i>BC US Credit BAA</i>				<i>-0.99%</i>	<i>-0.99%</i>				<i>0.81%</i>	<i>0.81%</i>	<i>-0.19%</i>	<i>-0.19%</i>	<i>1.77%</i>	<i>1.77%</i>	<i>6.00%</i>	<i>6.00%</i>	<i>8.19%</i>	
TOTAL FIXED INCOME	3,197,592	60.4%	60.0%	-0.54%	-0.55%	3,168,740	58.6%	60.0%	0.53%	0.51%	-0.01%	-0.04%	4.90%	4.71%	7.50%	7.31%	7.89%	
<i>BC Aggregate (1)</i>				<i>-0.51%</i>	<i>-0.51%</i>				<i>0.14%</i>	<i>0.14%</i>	<i>-0.37%</i>	<i>-0.37%</i>	<i>-0.69%</i>	<i>-0.69%</i>	<i>3.51%</i>	<i>3.51%</i>	<i>5.19%</i>	
CASH EQUIVALENTS																		
Northern Trust	162,314			0.01%	0.01%	161,484			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	162,314	3.1%	3.0%	0.01%	0.01%	161,484	3.0%	3.0%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.27%	0.27%	0.45%	
<i>90 Day T-Bill</i>				<i>0.01%</i>	<i>0.01%</i>				<i>0.01%</i>	<i>0.01%</i>	<i>0.01%</i>	<i>0.01%</i>	<i>0.11%</i>	<i>0.11%</i>	<i>0.11%</i>	<i>0.11%</i>	<i>0.30%</i>	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.

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