

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

	July-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Allocation		Month			Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net								
TOTAL RISK MANAGEMENT WC FUND	5,907,279	100.0%	100.0%	-0.94%	-0.95%	-0.94%	-0.95%	13.88%	13.68%	11.08%	10.87%	13.25%	13.01%
<i>POLICY TARGET BENCHMARK</i>				<i>-1.16%</i>	<i>-1.16%</i>	<i>-1.16%</i>	<i>-1.16%</i>	<i>11.59%</i>	<i>11.59%</i>	<i>8.37%</i>	<i>8.37%</i>	<i>10.19%</i>	<i>10.19%</i>
ATTRIBUTION ANALYSIS													
Asset Allocation				0.00%	0.00%	0.00%	0.00%	-0.06%	-0.06%	0.06%	0.06%		
Manager Selection				0.22%	0.20%	0.22%	0.20%	2.35%	2.15%	2.65%	2.44%		
TOTAL RELATIVE RETURN				0.22%	0.21%	0.22%	0.21%	2.29%	2.09%	2.71%	2.49%	3.06%	2.82%
LARGE CAP DOMESTIC EQUITY													
Los Angeles Capital	493,659	8.4%	8.3%	-0.74%	-0.74%	-0.74%	-0.74%	25.79%	25.57%	17.16%	16.94%	16.94%	7.73%
<i>Russell 1000 Growth</i>				<i>-1.53%</i>	<i>-1.53%</i>	<i>-1.53%</i>	<i>-1.53%</i>	<i>26.92%</i>	<i>26.92%</i>	<i>16.26%</i>	<i>16.26%</i>	<i>16.26%</i>	<i>7.47%</i>
LSV	490,288	8.3%	8.3%	-1.45%	-1.51%	-1.45%	-1.51%	28.33%	28.01%	19.09%	18.79%	18.79%	8.24%
<i>Russell 1000 Value</i>				<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>23.81%</i>	<i>23.81%</i>	<i>16.92%</i>	<i>16.92%</i>	<i>16.92%</i>	<i>6.67%</i>
LA Capital	327,482	5.5%	5.6%	-0.80%	-0.80%	-0.80%	-0.80%	24.29%	24.15%	17.14%	16.95%	16.95%	8.08%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>7.12%</i>
Clifton Group	327,278	5.5%	5.6%	-1.43%	-1.43%	-1.43%	-1.43%	24.75%	24.63%	16.93%	16.80%	16.80%	19.96%
<i>S&P 500</i>				<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</i>	<i>24.61%</i>	<i>24.61%</i>	<i>16.58%</i>	<i>16.58%</i>	<i>16.58%</i>	<i>18.83%</i>
TOTAL LARGE CAP DOMESTIC EQUITY	1,638,707	27.7%	27.8%	-1.12%	-1.13%	-1.12%	-1.13%	26.07%	25.85%	17.73%	17.51%	17.51%	19.57%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>17.02%</i>	<i>17.02%</i>	<i>17.02%</i>	<i>19.10%</i>
SMALL CAP DOMESTIC EQUITY													
Research Affiliates	197,984	3.4%	4.6%	-5.61%	-5.61%	-5.61%	-5.61%	24.68%	24.29%	16.34%	15.88%	15.88%	22.98%
Clifton	346,678	5.9%	4.6%	-6.13%	-6.13%	-6.13%	-6.13%	24.67%	24.17%	15.76%	15.30%	15.30%	22.16%
TOTAL SMALL CAP DOMESTIC EQUITY	544,662	9.2%	9.3%	-5.85%	-5.85%	-5.85%	-5.85%	24.78%	24.34%	16.10%	15.64%	15.64%	22.49%
<i>Russell 2000</i>				<i>-6.05%</i>	<i>-6.05%</i>	<i>-6.05%</i>	<i>-6.05%</i>	<i>23.64%</i>	<i>23.64%</i>	<i>14.57%</i>	<i>14.57%</i>	<i>20.21%</i>	<i>20.21%</i>
FIXED INCOME													
Western Asset	1,113,923	18.9%	19.0%	-0.09%	-0.13%	-0.09%	-0.13%	6.13%	5.99%	5.69%	5.52%	5.52%	8.72%
Prudential	282,669	4.8%	4.8%	-0.21%	-0.21%	-0.21%	-0.21%	6.71%	6.42%	6.06%	5.76%	5.76%	8.55%
PIMCO (DISCO) (1)	181,460	3.1%	3.1%	0.00%	0.00%	0.00%	0.00%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	30,487	0.5%	0.5%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
<i>BC Aggregate</i>				<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>4.37%</i>	<i>4.37%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>4.85%</i>
Declaration (Total Return) (1)	308,957	5.2%	5.2%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				<i>0.02%</i>	<i>0.02%</i>	<i>0.02%</i>	<i>0.02%</i>						
State Street	498,066	8.4%	8.4%	-0.11%	-0.11%	-0.11%	-0.11%	4.26%	4.23%	N/A	N/A	N/A	N/A
<i>BC Gov/Credit</i>				<i>-0.11%</i>	<i>-0.11%</i>	<i>-0.11%</i>	<i>-0.11%</i>	<i>4.28%</i>	<i>4.28%</i>				
Wells Capital	1,131,257	19.2%	19.0%	-0.20%	-0.20%	-0.20%	-0.20%	10.01%	9.79%	7.70%	7.48%	7.48%	10.19%
<i>BC US Credit BAA</i>				<i>-1.40%</i>	<i>-1.40%</i>	<i>-1.40%</i>	<i>-1.40%</i>	<i>9.46%</i>	<i>9.46%</i>	<i>7.12%</i>	<i>7.12%</i>	<i>7.12%</i>	<i>9.05%</i>
TOTAL FIXED INCOME	3,546,818	60.0%	60.0%	-0.12%	-0.13%	-0.12%	-0.13%	7.76%	7.60%	7.48%	7.29%	9.42%	9.23%
<i>BC Aggregate</i>				<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>-0.25%</i>	<i>4.37%</i>	<i>4.37%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>3.66%</i>	<i>4.85%</i>
CASH EQUIVALENTS													
Northern Trust (1)	177,092			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	177,092	3.0%	3.0%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.17%	0.24%
<i>90 Day T-Bill</i>				<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.06%</i>	<i>0.06%</i>	<i>0.08%</i>	<i>0.08%</i>	<i>0.08%</i>	<i>0.11%</i>

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 (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.