

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND  
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 <sup>(1)</sup>	Net	Gross <sup>(1)</sup>	Net	Gross <sup>(1)</sup>	Net	Gross <sup>(1)</sup>	Net
		Actual	Policy	Gross <sup>(1)</sup>	Net		Actual	Policy	Gross <sup>(1)</sup>	Net								
<b>TOTAL RISK MANAGEMENT WC FUND</b>	<b>6,039,591</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.27%</b>	<b>2.23%</b>	<b>5,907,279</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.94%</b>	<b>-0.95%</b>	<b>1.31%</b>	<b>1.26%</b>	<b>13.88%</b>	<b>13.68%</b>	<b>11.08%</b>	<b>10.87%</b>	<b>13.25%</b>	<b>13.01%</b>
<i>POLICY TARGET BENCHMARK</i>				2.27%	2.27%				-1.16%	-1.16%	1.08%	1.08%	11.59%	11.59%	8.37%	8.37%	10.19%	10.19%
ATTRIBUTION ANALYSIS																		
Asset Allocation				0.00%	0.00%				0.00%	0.00%	0.00%	0.00%	-0.06%	-0.06%	0.06%	0.06%		
Manager Selection				0.00%	-0.03%				0.22%	0.20%	0.22%	0.17%	2.35%	2.15%	2.65%	2.44%		
TOTAL RELATIVE RETURN				0.00%	-0.04%				0.22%	0.21%	0.22%	0.18%	2.29%	2.09%	2.71%	2.49%	3.06%	2.82%
<b>LARGE CAP DOMESTIC EQUITY</b>																		
Los Angeles Capital	504,068	8.3%	8.3%	4.15%	4.11%	493,659	8.4%	8.3%	-0.74%	-0.74%	3.38%	3.34%	25.79%	25.57%	17.16%	16.94%	16.94%	7.73%
<i>Russell 1000 Growth</i>				<b>4.58%</b>	<b>4.58%</b>				<b>-1.53%</b>	<b>-1.53%</b>	<b>2.98%</b>	<b>2.98%</b>	<b>26.92%</b>	<b>26.92%</b>	<b>16.26%</b>	<b>16.26%</b>	<b>16.26%</b>	<b>7.47%</b>
LSV	499,433	8.3%	8.3%	3.79%	3.79%	490,288	8.3%	8.3%	-1.45%	-1.51%	2.28%	2.22%	28.33%	28.01%	19.09%	18.79%	18.79%	8.24%
<i>Russell 1000 Value</i>				<b>3.68%</b>	<b>3.68%</b>				<b>-1.70%</b>	<b>-1.70%</b>	<b>1.91%</b>	<b>1.91%</b>	<b>23.81%</b>	<b>23.81%</b>	<b>16.92%</b>	<b>16.92%</b>	<b>16.92%</b>	<b>6.67%</b>
LA Capital	335,576	5.6%	5.6%	3.77%	3.74%	327,482	5.5%	5.6%	-0.80%	-0.80%	2.94%	2.91%	24.29%	24.15%	17.14%	16.95%	16.95%	8.08%
<i>Russell 1000</i>				<b>4.13%</b>	<b>4.13%</b>				<b>-1.62%</b>	<b>-1.62%</b>	<b>2.45%</b>	<b>2.45%</b>	<b>25.36%</b>	<b>25.36%</b>	<b>16.63%</b>	<b>16.63%</b>	<b>16.63%</b>	<b>7.12%</b>
Clifton Group	334,196	5.5%	5.6%	4.15%	4.08%	327,278	5.5%	5.6%	-1.43%	-1.43%	2.66%	2.59%	24.75%	24.63%	16.93%	16.80%	16.80%	19.96%
<i>S&amp;P 500</i>				<b>4.00%</b>	<b>4.00%</b>				<b>-1.38%</b>	<b>-1.38%</b>	<b>2.57%</b>	<b>2.57%</b>	<b>24.61%</b>	<b>24.61%</b>	<b>16.58%</b>	<b>16.58%</b>	<b>16.58%</b>	<b>18.83%</b>
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>1,673,273</b>	<b>27.7%</b>	<b>27.8%</b>	<b>3.96%</b>	<b>3.93%</b>	<b>1,638,707</b>	<b>27.7%</b>	<b>27.8%</b>	<b>-1.12%</b>	<b>-1.13%</b>	<b>2.80%</b>	<b>2.75%</b>	<b>26.07%</b>	<b>25.85%</b>	<b>17.73%</b>	<b>17.51%</b>	<b>17.51%</b>	<b>19.57%</b>
<i>Russell 1000</i>				<b>4.13%</b>	<b>4.13%</b>				<b>-1.62%</b>	<b>-1.62%</b>	<b>2.45%</b>	<b>2.45%</b>	<b>25.36%</b>	<b>25.36%</b>	<b>17.02%</b>	<b>17.02%</b>	<b>17.02%</b>	<b>19.10%</b>
SMALL CAP DOMESTIC EQUITY																		
Research Affiliates	180,025	3.0%	4.6%	4.49%	4.40%	197,984	3.4%	4.6%	-5.61%	-5.61%	-1.37%	-1.45%	24.68%	24.29%	16.34%	15.88%	15.88%	22.98%
Clifton	377,883	6.3%	4.6%	5.27%	5.06%	346,678	5.9%	4.6%	-6.13%	-6.13%	-1.18%	-1.38%	24.67%	24.17%	15.76%	15.30%	15.30%	22.16%
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>557,908</b>	<b>9.2%</b>	<b>9.3%</b>	<b>4.97%</b>	<b>4.81%</b>	<b>544,662</b>	<b>9.2%</b>	<b>9.3%</b>	<b>-5.85%</b>	<b>-5.85%</b>	<b>-1.17%</b>	<b>-1.32%</b>	<b>24.78%</b>	<b>24.34%</b>	<b>16.10%</b>	<b>15.64%</b>	<b>15.64%</b>	<b>22.49%</b>
<i>Russell 2000</i>				<b>4.96%</b>	<b>4.96%</b>				<b>-6.05%</b>	<b>-6.05%</b>	<b>-1.39%</b>	<b>-1.39%</b>	<b>23.64%</b>	<b>23.64%</b>	<b>14.57%</b>	<b>14.57%</b>	<b>20.21%</b>	<b>20.21%</b>
FIXED INCOME																		
Western Asset	1,139,477	18.9%	19.0%	1.23%	1.23%	1,113,923	18.9%	19.0%	-0.09%	-0.13%	1.14%	1.10%	6.13%	5.99%	5.69%	5.52%	5.52%	8.72%
Prudential	288,807	4.8%	4.8%	1.22%	1.15%	282,669	4.8%	4.8%	-0.21%	-0.21%	1.01%	0.94%	6.71%	6.42%	6.06%	5.76%	5.76%	8.55%
PIMCO (DiSCO) (1)	178,437	3.0%	3.0%	0.62%	0.62%	181,460	3.1%	3.1%	0.00%	0.00%	0.62%	0.62%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	29,794	0.5%	0.5%	0.00%	0.00%	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>				<b>1.10%</b>	<b>1.10%</b>				<b>-0.25%</b>	<b>-0.25%</b>	<b>0.85%</b>	<b>0.85%</b>	<b>4.37%</b>	<b>4.37%</b>	<b>3.66%</b>	<b>3.66%</b>	<b>3.66%</b>	<b>4.85%</b>
Declaration (Total Return) (1)	318,153	5.3%	5.3%	-0.03%	-0.03%	308,957	5.2%	5.2%	0.00%	0.00%	-0.03%	-0.03%	N/A	N/A	N/A	N/A	N/A	N/A
<i>3m LIBOR</i>				<b>0.02%</b>	<b>0.02%</b>				<b>0.02%</b>	<b>0.02%</b>	<b>0.04%</b>	<b>0.04%</b>						
State Street	511,311	8.5%	8.4%	1.20%	1.20%	498,066	8.4%	8.4%	-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>				<b>1.20%</b>	<b>1.20%</b>				<b>-0.11%</b>	<b>-0.11%</b>	<b>1.09%</b>	<b>1.09%</b>	<b>4.28%</b>	<b>4.28%</b>				
Wells Capital	1,160,403	19.2%	19.0%	1.62%	1.57%	1,131,257	19.2%	19.0%	-0.20%	-0.20%	1.42%	1.37%	10.01%	9.79%	7.70%	7.48%	7.48%	10.19%
<i>BC US Credit BAA</i>				<b>1.61%</b>	<b>1.61%</b>				<b>-1.40%</b>	<b>-1.40%</b>	<b>0.18%</b>	<b>0.18%</b>	<b>9.46%</b>	<b>9.46%</b>	<b>7.12%</b>	<b>7.12%</b>	<b>7.12%</b>	<b>9.05%</b>
<b>TOTAL FIXED INCOME</b>	<b>3,626,383</b>	<b>60.0%</b>	<b>60.0%</b>	<b>1.20%</b>	<b>1.17%</b>	<b>3,546,818</b>	<b>60.0%</b>	<b>60.0%</b>	<b>-0.12%</b>	<b>-0.13%</b>	<b>1.07%</b>	<b>1.04%</b>	<b>7.76%</b>	<b>7.60%</b>	<b>7.48%</b>	<b>7.29%</b>	<b>9.42%</b>	<b>9.23%</b>
<i>BC Aggregate</i>				<b>1.10%</b>	<b>1.10%</b>				<b>-0.25%</b>	<b>-0.25%</b>	<b>0.85%</b>	<b>0.85%</b>	<b>4.37%</b>	<b>4.37%</b>	<b>3.66%</b>	<b>3.66%</b>	<b>3.66%</b>	<b>4.85%</b>
CASH EQUIVALENTS																		
Northern Trust (1)	182,026			0.00%	0.00%	177,092			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
<b>TOTAL CASH EQUIVALENTS</b>	<b>182,026</b>	<b>3.0%</b>	<b>3.0%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>177,092</b>	<b>3.0%</b>	<b>3.0%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.17%</b>	<b>0.17%</b>	<b>0.17%</b>	<b>0.24%</b>
<i>90 Day T-Bill</i>				<b>0.00%</b>	<b>0.00%</b>				<b>0.00%</b>	<b>0.00%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>0.08%</b>	<b>0.08%</b>	<b>0.08%</b>	<b>0.11%</b>

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.