

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

	December-14					September-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014		
	Allocation			Quarter		Allocation			Quarter		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									
TOTAL RISK MANAGEMENT WC FUND	6,141,008	100.0%	100.0%	3.38%	3.34%	5,940,827	100.0%	100.0%	-0.34%	-0.39%	3.03%	2.94%	13.88%	13.68%	11.08%	10.87%	13.25%	13.01%	
<i>POLICY TARGET BENCHMARK</i>				3.32%	3.32%				-0.39%	-0.39%	2.92%	2.92%	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				0.06%	0.03%				0.04%	0.00%	0.11%	0.03%	2.35%	2.15%	2.65%	2.44%			
TOTAL RELATIVE RETURN				0.06%	0.03%				0.05%	0.00%	0.11%	0.02%	2.29%	2.09%	2.71%	2.49%	3.06%	2.82%	
LARGE CAP DOMESTIC EQUITY																			
Los Angeles Capital	507,697	8.3%	8.3%	5.47%	5.42%	491,915	8.3%	8.3%	1.58%	1.54%	7.14%	7.04%	25.79%	25.57%	17.16%	16.94%	16.94%	7.73%	
<i>Russell 1000 Growth</i>				4.78%	4.78%				1.49%	1.49%	6.34%	6.34%	26.92%	26.92%	16.26%	16.26%	16.26%	7.47%	
LSV	513,505	8.4%	8.3%	5.54%	5.46%	489,637	8.2%	8.3%	-0.46%	-0.52%	5.06%	4.92%	28.33%	28.01%	19.09%	18.79%	18.79%	8.24%	
<i>Russell 1000 Value</i>				4.98%	4.98%				-0.19%	-0.19%	4.78%	4.78%	23.81%	23.81%	16.92%	16.92%	16.92%	6.67%	
LA Capital	340,241	5.5%	5.6%	5.25%	5.22%	327,132	5.5%	5.6%	0.86%	0.83%	6.16%	6.09%	24.29%	24.15%	17.14%	16.95%	16.95%	8.08%	
<i>Russell 1000</i>				4.88%	4.88%				0.65%	0.65%	5.57%	5.57%	25.36%	25.36%	16.63%	16.63%	16.63%	7.12%	
Clifton Group	340,275	5.5%	5.6%	5.15%	5.15%	330,662	5.6%	5.6%	1.18%	1.11%	6.38%	6.31%	24.75%	24.63%	16.93%	16.80%	16.80%	19.96%	
<i>S&P 500</i>				4.93%	4.93%				1.13%	1.13%	6.12%	6.12%	24.61%	24.61%	16.58%	16.58%	16.58%	18.83%	
TOTAL LARGE CAP DOMESTIC EQUITY	1,701,718	27.7%	27.8%	5.40%	5.35%	1,639,346	27.6%	27.8%	0.73%	0.68%	6.17%	6.07%	26.07%	25.85%	17.73%	17.51%	17.51%	19.57%	
<i>Russell 1000</i>				4.88%	4.88%				0.65%	0.65%	5.57%	5.57%	25.36%	25.36%	17.02%	17.02%	17.02%	19.10%	
SMALL CAP DOMESTIC EQUITY																			
Research Affiliates	167,259	2.7%	4.6%	10.52%	10.44%	174,659	2.9%	4.6%	-7.00%	-7.07%	2.79%	2.63%	24.68%	24.29%	16.34%	15.88%	15.88%	22.98%	
Clifton	402,659	6.6%	4.6%	10.44%	10.44%	374,795	6.3%	4.6%	-7.23%	-7.41%	2.45%	2.25%	24.67%	24.17%	15.76%	15.30%	15.30%	22.16%	
TOTAL SMALL CAP DOMESTIC EQUITY	569,918	9.3%	9.3%	10.38%	10.36%	549,455	9.2%	9.3%	-7.08%	-7.23%	2.56%	2.38%	24.78%	24.34%	16.10%	15.64%	15.64%	22.49%	
<i>Russell 2000</i>				9.73%	9.73%				-7.36%	-7.36%	1.65%	1.65%	23.64%	23.64%	14.57%	14.57%	20.21%	20.21%	
FIXED INCOME																			
Western Asset	1,194,731	19.5%	19.6%	1.63%	1.60%	1,137,028	19.1%	19.2%	0.36%	0.32%	1.99%	1.92%	6.13%	5.99%	5.69%	5.52%	5.52%	8.72%	
Prudential	298,827	4.9%	4.8%	1.97%	1.90%	287,465	4.8%	4.8%	-0.31%	-0.38%	1.65%	1.51%	6.71%	6.42%	6.06%	5.76%	5.76%	8.55%	
PIMCO (DiSCO) (1)	143,766	2.3%	2.3%	-0.35%	-0.35%	166,413	2.8%	2.8%	1.43%	1.43%	1.08%	1.08%	12.02%	12.02%	N/A	N/A	N/A	N/A	
PIMCO (BRAVO II) (1)	44,032	0.7%	0.7%	3.49%	3.49%	38,400	0.6%	0.6%	0.00%	0.00%	3.49%	3.49%	N/A	N/A	N/A	N/A	N/A	N/A	
<i>BC Aggregate</i>				1.78%	1.78%				0.17%	0.17%	1.95%	1.95%	4.37%	4.37%	3.66%	3.66%	3.66%	4.85%	
Declaration (Total Return) (1)	284,132	4.6%	4.6%	0.99%	0.99%	296,354	5.0%	5.0%	0.65%	0.65%	1.65%	1.65%	N/A	N/A	N/A	N/A	N/A	N/A	
<i>3m LIBOR</i>				0.06%	0.06%				0.06%	0.06%	0.12%	0.12%							
State Street	521,751	8.5%	8.4%	1.83%	1.82%	504,369	8.5%	8.4%	0.16%	0.15%	1.99%	1.98%	4.26%	4.23%	N/A	N/A	N/A	N/A	
<i>BC Gov/Credit</i>				1.80%	1.80%				0.17%	0.17%	1.98%	1.98%	4.28%	4.28%					
Wells Capital	1,196,231	19.5%	19.6%	1.59%	1.55%	1,141,515	19.2%	19.2%	-0.12%	-0.17%	1.47%	1.37%	10.01%	9.79%	7.70%	7.48%	7.48%	10.19%	
<i>BC US Credit BAA</i>				1.26%	1.26%				-1.60%	-1.60%	-0.36%	-0.36%	9.46%	9.46%	7.12%	7.12%	7.12%	9.05%	
TOTAL FIXED INCOME	3,683,470	60.0%	60.0%	1.55%	1.52%	3,571,543	60.1%	60.0%	0.20%	0.16%	1.75%	1.68%	7.76%	7.60%	7.48%	7.29%	9.42%	9.23%	
<i>BC Aggregate</i>				1.78%	1.78%				0.17%	0.17%	1.95%	1.95%	4.37%	4.37%	3.66%	3.66%	3.66%	4.85%	
CASH EQUIVALENTS																			
Northern Trust (1)	185,901			0.00%	0.00%	180,483			0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	185,901	3.0%	3.0%	0.00%	0.00%	180,483	3.0%	3.0%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	0.17%	0.17%	0.17%	0.24%	
<i>90 Day T-Bill</i>				0.00%	0.00%				0.01%	0.01%	0.01%	0.01%	0.06%	0.06%	0.08%	0.08%	0.08%	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 (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.