

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2015**

	December-15					September-15					Current FYTD		Prior Year FY15		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015		
	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	5,723,481	100.0%	100.0%	1.94%	1.90%	5,614,318	100.0%	100.0%	-2.59%	-2.65%	-0.70%	-0.80%	4.72%	4.57%	10.07%	9.88%	10.83%	10.62%	
POLICY TARGET BENCHMARK				1.83%	1.83%				-2.31%	-2.31%	-0.52%	-0.52%	3.88%	3.88%	7.55%	7.55%	8.53%	8.53%	
ATTRIBUTION ANALYSIS																			
Asset Allocation				0.01%	0.01%				-0.01%	-0.01%	-0.01%	-0.01%	0.00%	0.00%	-0.02%	-0.02%	0.01%	0.01%	
Manager Selection				0.10%	0.07%				-0.27%	-0.33%	-0.17%	-0.27%	0.84%	0.69%	2.54%	2.35%	2.28%	2.08%	
TOTAL RELATIVE RETURN				0.11%	0.08%				-0.28%	-0.34%	-0.18%	-0.27%	0.84%	0.69%	2.52%	2.33%	2.30%	2.09%	
LARGE CAP DOMESTIC EQUITY																			
Los Angeles Capital	470,770	8.2%	8.3%	6.11%	6.05%	481,370	8.6%	8.3%	-4.79%	-4.83%	1.03%	0.93%	12.53%	12.32%	18.94%	18.72%	18.72%	19.00%	
<i>Russell 1000 Growth</i>				7.32%	7.32%				-5.29%	-5.29%	1.64%	1.64%	10.56%	10.56%	17.99%	17.99%	17.99%	18.59%	
LSV	473,317	8.3%	8.3%	4.81%	4.74%	459,579	8.2%	8.3%	-8.15%	-8.21%	-3.73%	-3.86%	7.16%	6.87%	22.14%	21.84%	21.84%	18.93%	
<i>Russell 1000 Value</i>				5.63%	5.63%				-8.40%	-8.40%	-3.23%	-3.23%	4.13%	4.13%	17.34%	17.34%	17.34%	16.50%	
LA Capital	321,835	5.6%	5.6%	6.18%	6.15%	313,663	5.6%	5.6%	-5.29%	-5.32%	0.57%	0.51%	8.45%	8.31%	17.90%	17.74%	17.74%	17.94%	
<i>Russell 1000</i>				6.50%	6.50%				-6.83%	-6.83%	-0.78%	-0.78%	7.37%	7.37%	17.73%	17.73%	17.73%	17.58%	
Clifton Group	320,432	5.6%	5.6%	7.87%	7.87%	306,882	5.5%	5.6%	-6.35%	-6.41%	1.02%	0.96%	7.17%	7.10%	17.37%	17.28%	17.28%	17.76%	
<i>S&P 500</i>				7.04%	7.04%				-6.44%	-6.44%	0.15%	0.15%	7.42%	7.42%	17.31%	17.31%	17.31%	17.34%	
TOTAL LARGE CAP DOMESTIC EQUITY	1,586,355	27.7%	27.8%	6.07%	6.02%	1,561,494	27.8%	27.8%	-6.20%	-6.25%	-0.52%	-0.61%	9.02%	8.83%	19.39%	19.19%	19.19%	18.49%	
<i>Russell 1000</i>				6.50%	6.50%				-6.83%	-6.83%	-0.78%	-0.78%	7.37%	7.37%	17.73%	17.73%	17.73%	17.60%	
SMALL CAP DOMESTIC EQUITY																			
PIMCO RAE (formerly Research Affiliates)	170,414	3.0%	4.6%	3.01%	2.94%	149,864	2.7%	4.6%	-11.43%	-11.50%	-8.77%	-8.90%	5.51%	5.18%	19.78%	19.39%	19.39%	18.02%	
Clifton	359,556	6.3%	4.6%	3.80%	3.80%	369,576	6.6%	4.6%	-11.63%	-12.06%	-8.27%	-8.72%	8.24%	8.03%	19.20%	18.83%	18.83%	18.55%	
TOTAL SMALL CAP DOMESTIC EQUITY	529,970	9.3%	9.3%	3.50%	3.48%	519,440	9.3%	9.3%	-11.58%	-11.90%	-8.48%	-8.84%	7.46%	7.23%	19.75%	19.38%	19.38%	18.45%	
<i>Russell 2000</i>				3.59%	3.59%				-11.92%	-11.92%	-8.75%	-8.75%	6.49%	6.49%	17.81%	17.81%	17.81%	17.08%	
FIXED INCOME																			
Western Asset	1,046,451	18.3%	18.9%	-0.05%	-0.08%	1,068,390	19.0%	19.1%	0.82%	0.79%	0.78%	0.71%	2.76%	2.62%	3.68%	3.52%	3.52%	5.54%	
Prudential	342,324	6.0%	4.8%	-0.41%	-0.48%	305,798	5.4%	4.8%	0.53%	0.46%	0.12%	-0.02%	2.32%	2.05%	3.67%	3.38%	3.38%	5.72%	
PIMCO (DISCO II) (1)	149,306	2.6%	2.6%	1.49%	1.49%	147,116	2.6%	2.6%	0.39%	0.39%	1.89%	1.89%	4.32%	4.32%	N/A	N/A	N/A	N/A	
PIMCO (BRAVO II) (1)	82,949	1.4%	1.4%	1.62%	1.62%	65,652	1.2%	1.2%	0.00%	0.00%	1.62%	1.62%	10.36%	10.36%	N/A	N/A	N/A	N/A	
<i>BC Aggregate</i>				-0.57%	-0.57%				1.23%	1.23%	0.65%	0.65%	1.85%	1.85%	1.82%	1.82%	1.82%	3.35%	
Declaration (Total Return) (1)	278,835	4.9%	4.9%	-0.54%	-0.54%	270,482	4.8%	4.8%	0.89%	0.89%	0.35%	0.35%	3.55%	3.55%	N/A	N/A	N/A	N/A	
<i>3m LIBOR</i>				0.09%	0.09%				0.08%	0.08%	0.17%	0.17%	0.26%	0.26%					
State Street	482,313	8.4%	8.4%	-0.74%	-0.75%	468,690	8.3%	8.4%	1.20%	1.19%	0.45%	0.44%	1.70%	1.66%	N/A	N/A	N/A	N/A	
<i>BC Gov/Credit</i>				-0.74%	-0.74%				1.20%	1.20%	0.44%	0.44%	1.68%	1.68%					
Wells Capital	1,053,083	18.4%	18.9%	-0.54%	-0.59%	1,038,766	18.5%	19.1%	-0.44%	-0.48%	-0.97%	-1.06%	0.96%	0.78%	4.65%	4.44%	4.44%	6.61%	
<i>BC US Credit BAA</i>				-1.01%	-1.01%				-0.74%	-0.74%	-1.74%	-1.74%	-1.37%	-1.37%	3.19%	3.19%	3.19%	5.16%	
TOTAL FIXED INCOME	3,435,261	60.0%	60.0%	-0.17%	-0.20%	3,364,893	59.9%	60.0%	0.42%	0.39%	0.25%	0.19%	2.40%	2.27%	5.00%	4.83%	6.51%	6.34%	
<i>BC Aggregate</i>				-0.57%	-0.57%				1.23%	1.23%	0.65%	0.65%	1.85%	1.85%	1.82%	1.82%	1.82%	3.35%	
CASH EQUIVALENTS																			
Northern Trust (1)	171,895			0.00%	0.00%	168,492			0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	171,895	3.0%	3.0%	0.00%	0.00%	168,492	3.0%	3.0%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	0.10%	0.10%	0.10%	0.17%	
<i>90 Day T-Bill</i>				0.03%	0.03%				0.01%	0.01%	0.04%	0.04%	0.02%	0.02%	0.06%	0.06%	0.06%	0.08%	

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.