

**WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2014**

	September-14							Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Market Value	Allocation		Quarter		Month		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
		Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net								
TOTAL WSI	1,686,541,307	100.0%	100.0%	-0.38%	-0.43%	-1.44%	-1.45%	-0.38%	-0.43%	12.00%	11.71%	9.02%	8.71%	10.58%	10.24%
<i>POLICY TARGET BENCHMARK</i>				<i>-0.61%</i>	<i>-0.61%</i>	<i>-1.28%</i>	<i>-1.28%</i>	<i>-0.61%</i>	<i>-0.61%</i>	<i>9.95%</i>	<i>9.95%</i>	<i>6.31%</i>	<i>6.31%</i>	<i>7.72%</i>	<i>7.72%</i>
ATTRIBUTION ANALYSIS															
Asset Allocation				0.10%	0.10%	-0.01%	-0.01%	0.10%	0.10%	0.16%	0.16%	0.05%	0.05%		
Manager Selection				0.12%	0.07%	-0.16%	-0.16%	0.12%	0.07%	1.90%	1.61%	2.65%	2.34%		
TOTAL RELATIVE RETURN				0.23%	0.18%	-0.17%	-0.17%	0.23%	0.18%	2.05%	1.76%	2.71%	2.39%	2.87%	2.52%
LARGE CAP DOMESTIC EQUITY															
Los Angeles Capital	60,432,811	3.6%	3.6%	1.58%	1.54%	-1.74%	-1.74%	1.58%	1.54%	25.79%	25.57%	17.16%	16.94%	7.73%	7.51%
<i>Russell 1000 Growth</i>				1.49%	1.49%	-1.45%	-1.45%	1.49%	1.49%	26.92%	26.92%	16.26%	16.26%	7.47%	7.47%
LSV	60,152,963	3.6%	3.6%	-0.46%	-0.52%	-2.68%	-2.68%	-0.46%	-0.52%	28.33%	28.01%	19.09%	18.79%	8.24%	7.86%
<i>Russell 1000 Value</i>				-0.19%	-0.19%	-2.06%	-2.06%	-0.19%	-0.19%	23.81%	23.81%	16.92%	16.92%	6.67%	6.67%
LA Capital	40,188,860	2.4%	2.4%	0.86%	0.83%	-2.02%	-2.02%	0.86%	0.83%	24.29%	24.15%	17.14%	16.95%	8.08%	7.81%
<i>Russell 1000</i>				0.65%	0.65%	-1.75%	-1.75%	0.65%	0.65%	25.36%	25.36%	16.63%	16.63%	16.63%	7.12%
Clifton Group	40,622,522	2.4%	2.4%	1.18%	1.11%	-1.45%	-1.45%	1.18%	1.11%	24.75%	24.63%	16.93%	16.80%	19.96%	19.63%
<i>S&P 500</i>				1.13%	1.13%	-1.40%	-1.40%	1.13%	1.13%	24.61%	24.61%	16.58%	16.58%	18.83%	18.83%
TOTAL LARGE CAP DOMESTIC EQUITY	201,397,156	11.9%	12.0%	0.62%	0.57%	-2.03%	-2.03%	0.62%	0.57%	25.98%	25.77%	17.72%	17.47%	19.55%	19.21%
<i>Russell 1000</i>				0.65%	0.65%	-1.75%	-1.75%	0.65%	0.65%	25.36%	25.36%	17.02%	17.02%	19.10%	19.10%
SMALL CAP DOMESTIC EQUITY															
Research Affiliates	21,436,595	1.3%	2.0%	-7.00%	-7.07%	-5.70%	-5.70%	-7.00%	-7.07%	24.68%	24.29%	16.34%	15.88%	22.98%	22.51%
Clifton	46,000,033	2.7%	2.0%	-7.23%	-7.41%	-6.12%	-6.12%	-7.23%	-7.41%	24.67%	24.17%	15.76%	15.30%	22.16%	21.67%
TOTAL SMALL CAP DOMESTIC EQUITY	67,436,628	4.0%	4.0%	-7.15%	-7.29%	-5.99%	-5.99%	-7.15%	-7.29%	24.82%	24.37%	16.12%	15.60%	22.50%	21.80%
<i>Russell 2000</i>				-7.36%	-7.36%	-6.05%	-6.05%	-7.36%	-7.36%	23.64%	23.64%	14.57%	14.57%	20.21%	20.21%
INTERNATIONAL EQUITY															
Capital Group	60,883,695	3.6%	3.6%	-5.78%	-5.86%	-3.92%	-3.92%	-5.78%	-5.86%	20.70%	20.25%	8.58%	8.03%	12.11%	11.55%
LSV	60,230,123	3.6%	3.6%	-6.45%	-6.53%	-4.56%	-4.56%	-6.45%	-6.53%	27.25%	26.77%	9.54%	9.04%	12.20%	11.69%
<i>MSCI EAFE</i>				-5.88%	-5.88%	-3.84%	-3.84%	-5.88%	-5.88%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%
DFA	14,929,908	0.9%	0.9%	-8.53%	-8.53%	-5.82%	-5.82%	-8.53%	-8.53%	36.58%	35.75%	12.25%	11.48%	16.48%	15.74%
Vanguard (1)	15,123,501	0.9%	0.9%	-5.84%	-5.84%	-4.43%	-4.43%	-5.84%	-5.84%	29.97%	29.46%	9.31%	8.86%	14.93%	14.49%
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				-5.94%	-5.94%	-5.33%	-5.33%	-5.94%	-5.94%	26.39%	26.39%	8.21%	8.21%	8.21%	13.10%
TOTAL INTERNATIONAL EQUITY	151,167,228	9.0%	9.0%	-6.41%	-6.48%	-4.42%	-4.42%	-6.41%	-6.48%	25.62%	25.12%	9.13%	8.68%	12.80%	12.30%
<i>MSCI EAFE</i>				-5.88%	-5.88%	-3.84%	-3.84%	-5.88%	-5.88%	23.57%	23.57%	8.10%	8.10%	11.11%	11.11%

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		Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net									
FIXED INCOME																
Western Asset	286,118,607	17.0%	16.9%	0.36%	0.32%	-0.77%	-0.77%	0.36%	0.32%	6.13%	5.99%	5.69%	5.52%	8.72%	8.54%	
Prudential	72,336,839	4.3%	4.2%	-0.31%	-0.38%	-1.31%	-1.31%	-0.31%	-0.38%	6.71%	6.42%	6.06%	5.76%	8.55%	8.25%	
PIMCO (DiSCO) (1)	41,875,606	2.5%	2.5%	1.43%	1.43%	0.80%	0.80%	1.43%	1.43%	12.02%	12.02%	N/A	N/A	N/A	N/A	
PIMCO (BRAVO II) (1)	9,662,798	0.6%	0.6%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	
BC Aggregate				0.17%	0.17%	-0.68%	-0.68%	0.17%	0.17%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%	
Declaration (Total Return) (1) 3m LIBOR	74,573,576	4.4%	4.4%	0.65%	0.65%	0.68%	0.68%	0.65%	0.65%	N/A	N/A	N/A	N/A	N/A	N/A	
State Street BC Gov/Credit	126,917,881	7.5%	7.4%	0.16%	0.15%	-0.91%	-0.92%	0.16%	0.15%	4.26%	4.23%	N/A	N/A	N/A	N/A	
Wells Capital BC US Credit BAA	287,247,636	17.0%	16.9%	-0.12%	-0.17%	-1.52%	-1.52%	-0.12%	-0.17%	10.01%	9.79%	7.70%	7.48%	10.19%	9.97%	
TOTAL FIXED INCOME	898,732,944	53.3%	53.0%	0.20%	0.16%	-0.86%	-0.87%	0.20%	0.16%	7.79%	7.63%	7.49%	7.30%	9.31%	9.12%	
BC Aggregate				0.17%	0.17%	-0.68%	-0.68%	0.17%	0.17%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%	
DIVERSIFIED REAL ASSETS (formerly Inflation Prote																
Western BC Global Inflation Linked Index (2)	94,751,222	5.6%	5.6%	-2.09%	-2.13%	-3.08%	-3.08%	-2.09%	-2.13%	10.09%	9.91%	3.72%	3.54%	5.09%	4.84%	
TIR - Eastern Timber Opps Fund (1) NCREIF Timberland Index	61,560,094	3.7%	3.7%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.89%	9.89%	5.69%	5.69%	4.13%	4.00%	
JP Morgan (Infrastructure)	75,029,291	4.4%	4.4%	5.74%	5.49%	0.00%	0.00%	5.74%	5.49%	9.94%	8.88%	8.32%	7.19%	7.37%	6.07%	
Grosvenor (formerly Credit Suisse) (Infrastructure) (1) CPI	21,671,882	1.3%	1.3%	-0.14%	-0.14%	-0.14%	-0.14%	-0.14%	-0.14%	12.90%	12.90%	N/A	N/A	N/A	N/A	
TOTAL DIVERSIFIED REAL ASSETS	253,012,489	15.0%	15.0%	0.73%	0.63%	-1.22%	-1.22%	0.73%	0.63%	10.19%	9.87%	5.23%	4.88%	5.57%	5.18%	
Weighted Benchmark (2) (3)				-1.46%	-1.46%	-1.13%	-1.13%	-1.46%	-1.46%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%	
REAL ESTATE																
JP Morgan	60,525,482	3.6%	3.0%	0.00%	0.04%	0.00%	0.00%	0.00%	0.04%	10.12%	8.75%	17.19%	15.97%	13.24%	11.99%	
Invesco	44,638,284	2.6%	3.0%	3.44%	3.35%	3.44%	3.35%	3.44%	3.35%	10.92%	10.38%	N/A	N/A	N/A	N/A	
TOTAL REAL ESTATE	105,163,767	6.2%	6.0%	1.43%	1.41%	1.43%	1.39%	1.43%	1.41%	10.41%	9.38%	15.92%	14.83%	12.51%	11.26%	
NCREIF Total Index				2.63%	2.63%	0.87%	0.87%	2.63%	2.63%	11.21%	11.21%	11.32%	11.32%	9.67%	9.67%	
CASH EQUIVALENTS																
Northern Trust (1)	9,631,095			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	9,631,095	0.6%	1.0%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%	
90 Day T-Bill				0.01%	0.01%	0.00%	0.00%	0.01%	0.01%	0.06%	0.06%	0.08%	0.08%	0.11%	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.

(2) Prior to January 1, 2010, the benchmark was BC US TIPS Index.

(3) From January 1, 2010 to June 30, 2014 the benchmark was BC Global Inflation Linked Index. Beginning July 1, 2014, the benchmark is a weighted average of the sub-class benchmarks.