



SACRAMENTO COUNTY EMPLOYEES' RET SYSTEM

**INVESTMENT PERFORMANCE ANALYSIS**

FOURTH QUARTER 2013

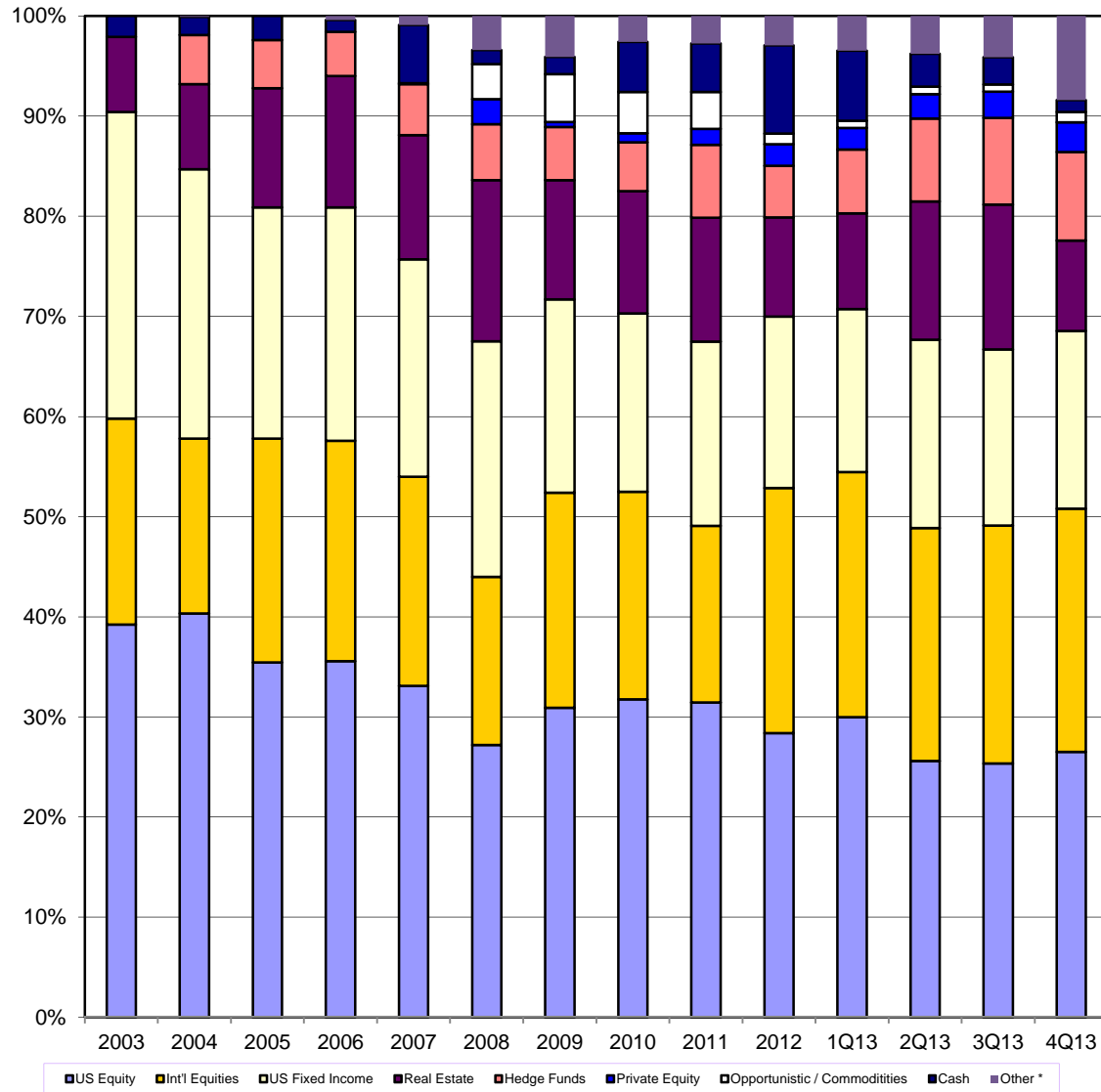
STRATEGIC INVESTMENT SOLUTIONS, INC.

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Actual Yearly and Quarterly Asset Allocation

Periods Ending December 31, 2013



**	2003	2004	2005	2006	2007	2008
US Equity	39.2	40.4	35.4	35.5	33.1	27.2
International Equity	20.6	17.5	22.3	22.0	20.9	16.8
US Fixed Income	30.6	26.9	23.1	23.3	21.7	23.5
Real Estate	7.5	8.5	11.9	13.1	12.4	16.1
Hedge Funds	-	4.9	4.8	4.4	5.1	5.6
Private Equity	-	-	-	-	0.1	2.5
Opportunistic / Commodities	-	-	-	-	-	3.5
Cash	2.1	1.8	2.4	1.2	5.8	1.4
Other*	-	0.1	-	0.4	0.9	3.4

	2009	2010	2011	2012	2013 1Q	2013 2Q
US Equity	30.9	31.7	31.4	28.4	30.0	25.6
International Equity	21.5	20.7	17.6	24.5	24.5	23.3
US Fixed Income	19.3	17.8	18.4	17.1	16.3	18.8
Real Estate	11.9	12.2	12.4	9.9	9.6	13.8
Hedge Funds	5.3	4.9	7.3	5.2	6.4	8.3
Private Equity	0.5	0.9	1.6	2.2	2.2	2.5
Opportunistic / Commodities	4.8	4.1	3.7	1.1	0.7	0.7
Cash	1.7	5.0	4.9	8.8	7.0	3.3
Other*	4.1	2.6	2.7	2.9	3.5	3.8

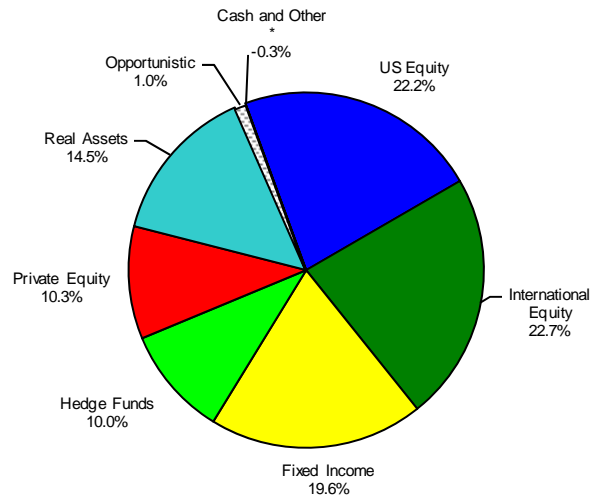
	2013 3Q	2014 4Q
US Equity	25.3	26.5
International Equity	23.8	24.3
US Fixed Income	17.6	17.7
Real Estate	14.5	9.0
Hedge Funds	8.6	8.8
Private Equity	2.6	3.0
Opportunistic / Commodities	0.7	1.0
Cash	2.7	1.2
Other*	4.1	8.4

\*\* Calendar year period

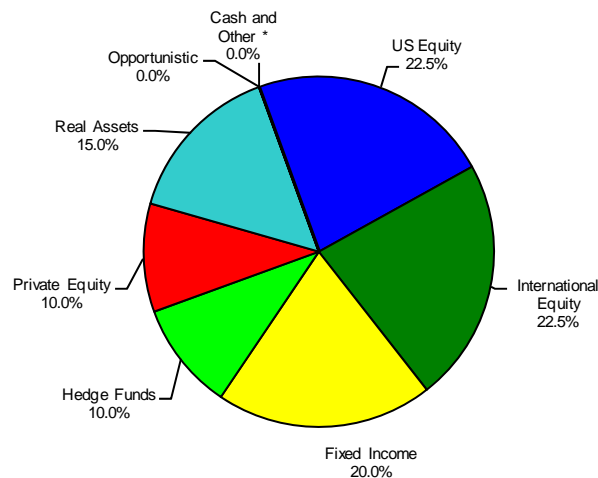
Asset Allocation Analysis – Total Plan

As of December 31, 2013

**Current w/Overlay**



**Target**



ASSET ALLOCATION	MARKET VALUE		
	W/OVERLAY	W/OVERLAY	W/O OVERLAY
US Equity	1,687,793,152	22.2%	26.5%
International Equity	1,720,176,285	22.7%	24.3%
Fixed Income	1,483,690,216	19.6%	17.7%
Hedge Funds	759,155,461	10.0%	8.8%
Private Equity	779,781,334	10.3%	3.0%
Real Assets	1,097,372,485	14.5%	9.0%
Opportunistic	78,163,255	1.0%	1.0%
Cash and Other *	-19,740,370 **	-0.3%	9.6%
<b>TOTAL</b>	<b>7,586,391,817</b>	<b>100.0%</b>	<b>100.0%</b>

ASSET ALLOCATION	ACTUAL	TARGET	DIFF
US Equity	22.2%	22.5%	-0.3%
International Equity	22.7%	22.5%	0.2%
Fixed Income	19.6%	20.0%	-0.4%
Hedge Funds	10.0%	10.0%	0.0%
Private Equity	10.3%	10.0%	0.3%
Real Assets	14.5%	15.0%	-0.5%
Opportunistic	1.0%	0.0%	1.0%
Cash and Other *	-0.3%	0.0%	-0.3%

ASSET ALLOCATION	TARGET	MEDIAN	DIFF
US Equity	22.5%	28%	-5.5%
International Equity	22.5%	18%	4.5%
Fixed Income	20.0%	27%	-7.0%
Hedge Funds	10.0%	7%	3.0%
Private Equity	10.0%	8%	2.0%
Real Assets	15.0%	8%	7.0%
Opportunistic	0.0%	0%	0.0%
Cash and Other *	0.0%	4%	-4.0%

\* Other includes closing accounts (Heitman), SSgA Overlay of \$225 million and SSgA Real Asset of \$412 million which serve as overlay proxy for Real Assets.

\*\* Negative Cash value is due to missing month end cash activities from Hedge Funds, Real Assets.

- The Total Plan returned 4.8% in the fourth quarter of 2013 and ranked in the 49<sup>th</sup> percentile among other public funds greater than \$1 billion (4.7% median). The fund beat its policy index (4.3%) during this time period. The Total Plan w/o Overlay returned 4.6% for the quarter. Longer term, the five and ten-year returns of 12.3% and 6.9%, ranked below median among large public plans (12.6% and 7.0%).
- Fourth quarter results were enhanced by the following factors:
  1. JP Morgan 130/30 surpassed its benchmark, the Russell 1000 Index (11.6% vs. 10.2%) and ranked in the 59<sup>th</sup> percentile among large cap core managers. During the quarter, select investments in the semiconductors (overweight Avago Technologies, Lam Research), basic material (overweight US Steel, short Cliff's Natural Resources) and biotech sectors worked well.
  2. Huber Capital's return of 10.0% ranked in the second quartile among large cap value managers (median 9.9%) and matched its benchmark, the Russell 1000 Value Index (10.0%). Security selection in Info Tech (Hewlett-Packard, Mastercard) and Financials (CNO Financial Group, ING) positively impacted performance. Healthcare investments (Eli Lilly) and cash drag were negative.
  3. WEDGE Capital returned 11.3%. It ranked in the 20<sup>th</sup> percentile among small cap value managers. The Russell 2000 Value Index returned 9.3% during the same time period. Its select positions to the Info Tech (Ebix, Comtech Telecommunications) and Healthcare (Air Methods, Cambrex) sectors aided performance.
  4. US REIT manager Urdang kept pace with its benchmark. The NAREIT Equity Index was down 0.2% during the quarter.
  5. Baring Asset was ahead of its benchmark for the quarter. Barings was up 6.2% while the MSCI World -ex US Index was up 5.6%, ranking the portfolio in the third quartile among EAFE large cap equity managers. Stock selection in the UK (BT Group) and underweight to Pacific ex Japan, specifically Australia, were positive factors to performance alpha.
  6. Lazard beat the MSCI ACWI -ex US Index during the quarter (6.5% vs. 4.8%) and ranked in the second quartile among ACWI ex-US equity managers (median of 6.1%). Lazard carried strong investments in the consumer discretionary (Sky Deutschland, RTL Group, Valeo, Sands China), materials (James Hardie), consumer staples (Primark) and financials (BNP Paribas, Swedbank, Sampo) sectors.

7. LSV (6.5%) out-performed the MSCI World -ex US Index (5.6%) and ranked 56<sup>th</sup> among EAFE large cap value equity managers (6.8% median). LSV carried relatively strong French, Australian and Swiss investments. Its value tilt was a positive factor.
8. William Blair matched its benchmark, the MSCI World -ex US Small Cap Index (5.6%) and ranked in the 65<sup>th</sup> percentile among international developed market small cap managers. Strong stock selection in resources and industrials, materials, chemicals and energy was beneficial. Discretionary stock selection in Japan and household durables detracted.
9. Ahead of the MSCI Emerging Markets Index (1.9%), Capital Group appreciated 3.0%, ranking 48<sup>th</sup> percentile among its peers. Investments in mid-cap companies, specifically in the consumer discretionary and industrials sectors and emphasis on China and Hong Kong lifted portfolio returns. William Blair's emerging markets strategy was funded in December.
10. Non-US REIT manager CBRE Clarion beat the FTSE NAREIT Developed ex US Index (-0.2% vs. -0.3%).
11. The Bradford & Marzec 0.9% return surpassed its benchmark, the Barclays Aggregate Index (-0.1%) and ranked in the top quartile among core bond managers, median return of 0.2%. A main contributor to returns was its security selection within and overweight to investment grade credit and high yield.
12. The Neuberger Berman-Fixed return of 0.0% ranked in the 69<sup>th</sup> percentile among its fixed income peer group. The Barclays Aggregate Index also returned -0.1%. Contributing to results was security selection of investment grade corporates.
13. TCW MetWest (0.1%) beat the Barclays Aggregate Index (-0.1%) and ranked below the fixed income core manager median of 0.2%. Its one-year shorter-than-index duration and overweight to financials, non-agency MBS, CMBS and ABS vehicles contributed to out-performance. High yield manager Brigade was funded in November. Its custom benchmark is a blended 50% BofA ML US High Yield Master II/50% Credit Suisse Leveraged Loans Index.
14. Brandywine surpassed its blended benchmark, the 80% Citigroup WGBI/ 20% JPM GBI EM (-0.2% vs. -1.2%) but ranked in the bottom quartile among all global bond managers. Brandywine's main source of relative outperformance came from its underweight in the Japanese currency and weight in the Portuguese bond.

15. The Hedge Fund Composite was ahead of the 91 Day T-Bill + 5% Index (4.4% vs. 1.2%) and ranked in the top quartile among its peers (median of 3.7%). Lakewood (6.6%), Third Point Offshore (6.2%) and JANA Partners (5.7%) were the top performers. Grosvenor (-0.5%) and Blue Crest (0.8%) fared the worst.
  14. Real asset manager Gresham returned -0.9%. The DJ UBS Commodities Index was down 1.1%. The SSgA Real Asset Fund matched its custom benchmark return (0.5%).
- Fourth quarter results were hindered by the following factors:
    1. Brown Advisory below par with the Russell 1000 Growth Index (8.3% vs. 10.4%). Brown ranked in the bottom quartile among large cap growth managers (median of 11.0%). Stock selection in Consumer Discretionary (Starbucks), Industrials (Stericycle) and Healthcare (Covance, Intuitive Surgical) investments hurt performance.
    2. Eagle, 10.1%, returned above the median large cap value manager (9.9%) but slightly below the Russell 1000 Index (10.2%), ranking its portfolio in the 46<sup>th</sup> percentile among its peers. It carried below par Energy (Apache, Noble Energy) investments.
    3. Small growth manager M.A. Weatherbie was behind the Russell 2000 Growth Index (7.7% vs. 8.2%) and ranked in the third quartile among its peers (median 8.8%). Negative performance attribution came primarily from its below par Info Tech investments (Liquidity Services, Interdigital, Servicesource) and portfolio turnover.
    4. Turner (6.2%) trailed the Russell 2000 Growth Index (8.2%) and ranked in the bottom quartile among small growth managers (8.8%) median. Security selection in the Info Tech (InfoBlox, Synchronoss Technologies, Cavium), Energy (SemGroup) and Industrials (Chart Industries) sectors dampened performance.
    5. Dalton Greiner (9.1%) was below par for the quarter; it placed behind its benchmark, the Russell 2000 Value Index (9.3%). Its peer median returned 9.8%; the portfolio ranked in the 66<sup>th</sup> percentile among small cap value managers. Energy (Rex Energy, PDC Energy) and Healthcare (ICU Medical) investments, plus cash drag, fared poorly during the quarter.

6. The Mondrian quarterly result of 4.8% trailed its benchmark, the MSCI World Small Cap -ex US Index (5.6%), and ranked in the bottom quartile among ACWI ex US small cap managers (median of 6.8%). Negative contributions arose from its select positions in Germany and Hong Kong, lack of Italian exposure and overweight to Singapore and Australia.
7. The Private Equity Composite carried a quarterly time-weighted rate of return (one-quarter lagged) of 5.3% while its benchmark, the Russell 1000 +3% 1 Quarter Lag Index appreciated 6.8%. Accel-KKR IV (-18.0%) and Trinity Ventures XI (-7.8%) fared the worst. Goldman Sachs X and HarbourVest International VI added 10.6% and 9.7%, respectively. Marlin Equity IV was funded during the fourth quarter.
8. Real asset managers Blackstone lagged the DJ UBS Commodities Index (-2.5% vs. -1.1%). EnCap Energy IX fell behind its benchmark, the Russell 1000 +3% 1 Quarter Lag Index (-4.5% vs. 6.8%).
9. The combined Real Estate-Separate Account portfolio (2.7%) trailed its benchmark, the NFI-ODCE (3.2%). The benchmark was changed from NCREIF Property Index, effective 4/1/2013. BlackRock I, BlackRock II and CornerStone Leveraged accounts returned 3.1%, 1.3% and 2.7%, respectively. Unleveraged, quarterly returns were 2.8%, 1.3% and 2.1%, respectively.
10. The Real Estate-Limited Partnerships composite trailed its benchmark, the NFI-ODCE (2.5% vs. 3.2%). Cornerstone Patriot and Prime Property appreciated 2.2% and 3.5%, respectively. Jamestown Premier Property and MetLife Core Property were funded at quarter-end.
11. The Opportunistic Composite added 1.3% for the quarter while the Plan Policy Index returned 4.3%. Combined, the Real Estate-Value Added managers fared worse than the NCREIF +2% 1Q Lag Index (1.3% vs. 3.0%). AEW, Atalaya Special Opportunities V, Hines US Office II and UBS performance were 4.3%, -5.3%, 0.4% and 0.2%, respectively. European RE Debt II was funded during the fourth quarter.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>+</sup>
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return
<b>TOTAL FUND *</b>													
Sacramento County - Gross	7,574,010,005	100.0%	4.8	49	10.6	34	16.5	31	10.0	36	12.3	56	8.7 Jun-86
Sacramento County - Net			4.7		10.4		16.2		9.7		11.9		8.5
Policy Index <sup>1</sup>			4.3	68	9.0	69	14.0	63	9.3	62	12.0	66	8.9
Allocation Index			4.2	73	8.6	77	14.8	52					
Sacramento County w/o Overlay - Gross**			4.6	56	9.9	54	14.9	51	9.2	64	11.2	81	8.4 Jun-86
Sacramento County w/o Overlay - Net			4.5		9.7		14.5		8.8		10.8		8.3
Policy Index <sup>1</sup>			4.3	68	9.0	69	14.0	63	9.3	62	12.0	66	8.9
IFx Public DB > \$1B Gross Median			4.7		10.1		15.0		9.6		12.6		
<b>US EQUITY MANAGERS</b>													
<b>Large Cap</b>													
JP Morgan 130/30 - Gross	104,540,317	1.4%	11.6	59	19.3	28	38.3	39	17.1	79	20.7	18	12.6 Jul-08
JP Morgan 130/30 - Net			11.4		18.9		37.4		16.3		19.8		11.8
Russell 1000 Index			10.2	95	16.9	68	33.7	83	16.3	92	18.6	60	9.9
Equity Active (130/30)	104,540,317	1.4%	11.6		19.3		38.3		18.1		20.0		13.2 Sep-08
Russell 1000 Index			10.2		16.9		33.7		16.3		18.6		12.1

\* Total Fund and asset class composites are ranked against InvestorForce universes. Managers are ranked against eVestment Alliance manager universes.

Ranking of 1 is a top ranking and ranking of 100 is a bottom ranking.

\*\* Returns from 2/1/06 to 12/31/10 were calculated using the overlay impact provided by SSgA.

+ Inception date denotes last day of the month.

1. See Appendix for current and historical policy.



Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
Alliance Bernstein - Gross	1,117,048,211	14.7%	10.2	70	16.7	38	33.0	31	16.2	38	18.5	33	9.9	Apr-89
Alliance Bernstein - Net			10.2		16.7		33.0		16.2		18.5		9.9	
Russell 1000 Index <sup>1</sup>			10.2	64	16.9	25	33.1	22	16.3	29	18.6	32	9.2	
<b>Large Cap - Index</b>	<b>1,117,048,211</b>	<b>14.7%</b>	<b>10.2</b>		<b>16.8</b>		<b>33.0</b>		<b>16.2</b>		<b>18.5</b>		<b>12.0</b>	<b>Sep-08</b>
Russell 1000 Index			10.2		16.9		33.1		16.3		18.6		12.1	
Brown Advisory - Gross	101,156,740	1.3%	8.3	94	17.1	86	30.0	83					17.0	Feb-12
Brown Advisory - Net			8.2		17.0		29.7						16.8	
Russell 1000 Growth Index			10.4	60	19.4	67	33.5	56					19.5	
<b>Large Cap - Growth</b>	<b>101,157,219</b>	<b>1.3%</b>	<b>8.3</b>		<b>17.1</b>		<b>30.0</b>		<b>14.0</b>		<b>19.0</b>		<b>11.5</b>	<b>Sep-08</b>
Russell 1000 Growth Index			10.4		19.4		33.5		16.5		20.4		13.6	
Eagle Capital - Gross	223,421,179	2.9%	10.1	46	17.5	23	36.2	31					24.3	Feb-12
Eagle Capital - Net			9.9		17.1		35.2						23.6	
Russell 1000 Index			10.2	44	16.9	34	33.1	55					20.9	
Russell 1000 Value Index			10.0	48	14.3	72	32.5	60					22.1	
Huber Capital - Gross	111,150,788	1.5%	10.0	47	16.7	37	38.0	19					24.1	Feb-12
Huber Capital - Net			9.9		16.3		37.1						23.4	
Russell 1000 Value Index			10.0	48	14.3	72	32.5	60					22.1	
<b>Large Cap - Value</b>	<b>334,573,215</b>	<b>4.4%</b>	<b>10.1</b>		<b>17.2</b>		<b>36.8</b>		<b>17.2</b>		<b>19.4</b>		<b>12.3</b>	<b>Sep-08</b>
Russell 1000 Value Index			10.0		14.3		32.5		16.1		16.7		10.4	
<b>US Equity - Large Cap Composite</b>	<b>1,657,319,442</b>	<b>21.9%</b>	<b>10.1</b>		<b>17.0</b>		<b>33.9</b>		<b>16.3</b>		<b>18.3</b>		<b>5.0</b>	<b>Mar-98</b>
Russell 1000 Index			10.2		16.9		33.1		16.3		18.6		5.6	

1. See Appendix for Benchmark History.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
<b>Small Cap</b>														
M.A. Weatherbie - Gross	74,178,144	1.0%	7.7	71	24.0	42	48.5	34	20.2	32	25.9	28	13.4	Dec-02
M.A. Weatherbie- Net			7.5		23.5		46.9		19.1		24.8		12.4	
Russell 2000 Growth Index			8.2	60	22.0	67	43.3	70	16.8	73	22.6	76	12.5	
Turner - Gross	69,989,400	0.9%	6.2	88	24.2	38	41.2	84	15.5	87			21.0	Jul-10
Turner - Net			6.0		23.5		40.0		14.8				20.3	
Russell 2000 Growth Index			8.2	60	22.0	67	43.3	70	16.8	73			22.1	
<b>Small Cap - Growth</b>	<b>144,167,544</b>	<b>1.9%</b>	<b>7.0</b>		<b>24.1</b>		<b>44.9</b>		<b>17.8</b>		<b>22.0</b>		<b>14.6</b>	<b>Sep-08</b>
Russell 2000 Growth Index			8.2		22.0		43.3		16.8		22.6		14.2	
Dalton Greiner - Gross	66,036,440	0.9%	9.1	66	18.9	63	34.3	79	15.3	69	19.8	74	11.8	Dec-00
Dalton Greiner - Net			8.9		18.5		33.1		14.3		18.7		10.9	
Russell 2000 Value Index			9.3	61	17.6	78	34.5	78	14.5	78	17.6	95	9.8	
WEDGE Capital - Gross	66,332,641	0.9%	11.3	20	20.5	33	38.0	52	17.2	44	20.5	67	11.4	Apr-08
WEDGE Capital - Net			11.0		19.9		36.5		16.1		19.4		10.4	
Russell 2000 Value Index			9.3	61	17.6	78	34.5	78	14.5	78	17.6	95	9.4	
<b>Small Cap - Value <sup>2</sup></b>	<b>132,369,086</b>	<b>1.7%</b>	<b>10.2</b>		<b>19.7</b>		<b>34.1</b>		<b>15.5</b>		<b>19.1</b>		<b>12.4</b>	<b>Sep-08</b>
Russell 2000 Value Index			9.3		17.6		34.5		14.5		17.6		10.5	
<b>US Equity - Small Cap Composite <sup>2</sup></b>	<b>276,537,861</b>	<b>3.7%</b>	<b>8.5</b>		<b>21.9</b>		<b>39.6</b>		<b>16.7</b>		<b>20.5</b>		<b>12.8</b>	<b>Dec-90</b>
Russell 2000 Index			8.7		19.8		38.8		15.7		20.1		11.5	

2. Thompson, Siegel & Walmsley (small cap value) and Principal Global (REIT) was terminated in May 2013.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>+</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
<b>REITs</b>														
Urdang - Gross	77,245,162	1.0%	-0.2	60	-2.3	46	3.7	34	10.8	33	19.5	18	7.1	Jan-06
Urdang - Net			-0.3		-2.4		3.4		10.1		18.9		6.6	
FTSE NAREIT All Equity REIT			-0.2	58	-2.8	63	2.9	57	10.1	60	16.9	81	4.7	
<b>US Equity Composite <sup>2</sup></b>	<b>2,011,276,577</b>	<b>26.6%</b>	<b>9.5</b>	<b>76</b>	<b>16.8</b>	<b>79</b>	<b>33.1</b>	<b>75</b>	<b>15.9</b>	<b>63</b>	<b>18.5</b>	<b>67</b>	<b>10.1</b>	<b>Jun-86</b>
US Equity Benchmark <sup>1</sup>			10.1	42	17.1	66	33.6	67	16.2	48	18.7	61	10.2	
IFx All DB US Eq Gross Median			10.0		17.5		34.4		16.2		19.1		10.3	
<b>INTERNATIONAL EQUITY MANAGERS</b>														
<b>Developed Markets</b>														
Baring Asset Management - Gross	411,836,851	5.4%	6.2	61	14.2	90	18.9	80					18.9	Jun-12
Baring Asset Management - Net			6.0		14.0		18.5						18.6	
MSCI World ex US Index			5.6	71	17.6	61	21.6	68					24.2	
Lazard Asset Management - Gross	395,711,214	5.2%	6.5	42	18.4	32	23.4	29					26.1	Jun-12
Lazard Asset Management - Net			6.4		18.2		23.1						25.9	
MSCI ACWI ex US Index			4.8	81	15.5	68	15.8	86					20.2	
LSV International - Gross	452,285,857	6.0%	6.5	56	20.2	30	26.0	34	9.8	40	13.1	49	5.1	Dec-04
LSV International - Net			6.5		20.0		25.6		9.5		12.7		4.6	
MSCI World ex US Index <sup>1,3</sup>			5.6	71	17.6	60	21.6	68	7.8	63	11.9	66	5.2	
MSCI EAFE Value Index			6.3	60	19.8	38	23.6	53	9.0	57	12.6	56	5.6	

1. See Appendix for Benchmark History.

2. Thompson, Siegel &amp; Walmsley (small cap value) and Principal Global (REIT) was terminated in May 2013.

3. Benchmark mandate changed to MSCI World ex US Index on 6/20/12. The effective date for performance is 7/1/12.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>+</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
Mondrian - Gross	85,915,395	1.1%	4.8	83	16.5	72	18.1	99	10.8	55			16.0	Aug-10
Mondrian - Net			4.6		16.1		17.5		10.2				15.4	
MSCI World ex US Small Cap Index			5.6	65	21.4	21	26.0	70	7.9	87				14.7
William Blair Dev - Gross	100,801,243	1.3%	5.6	65	19.4	49	28.5	56	12.5	23	23.4	22	14.5	Sep-08
William Blair Dev - Net			5.4		18.8		27.4		11.5		22.2		13.3	
MSCI World ex US Small Cap Index			5.6	65	21.4	21	26.0	70	7.9	87	18.9	88	12.0	
<b>International Equity - Developed</b>	<b>1,446,574,420</b>	<b>19.1%</b>	<b>6.2</b>	<b>39</b>	<b>17.7</b>	<b>36</b>	<b>22.9</b>	<b>34</b>	<b>8.3</b>	<b>40</b>	<b>13.4</b>	<b>46</b>	<b>4.6</b>	<b>Mar-98</b>
MSCI EAFE Index			5.7	48	18.0	29	23.3	30	8.7	30	13.0	50	5.0	
IFx All DB Dev Mkt -ex US Eq Gross Median			5.6		16.5		20.9		8.0		13.0		5.7	
<b>Emerging Markets</b>														
Capital Group Emg Mkts Growth - Gross	299,670,974	4.0%	3.0	48	9.9	39	0.4	55	-3.5	88	13.3	91	7.7	Jan-00
Capital Group Emg Mkts Growth - Net			3.0		9.9		0.4		-3.5		13.1		7.2	
MSCI Emerging Markets Index			1.9	70	7.9	63	-2.3	78	-1.7	73	15.2	70	8.1	
William Blair Emg - Gross <sup>4</sup>	22,932,277	0.3%												Dec-13
William Blair Emg - Net														
MSCI Emerging Markets Index														
<b>International Equity - Emerging</b>	<b>322,603,251</b>	<b>4.3%</b>	<b>3.1</b>	<b>10</b>	<b>10.0</b>	<b>9</b>	<b>0.6</b>	<b>20</b>	<b>-3.4</b>	<b>81</b>	<b>13.4</b>	<b>74</b>	<b>7.7</b>	<b>Jan-00</b>
MSCI Emerging Markets Index			1.9	44	7.9	46	-2.3	44	-1.7	63	15.2	40	8.1	
IFx All DB Emg Mkt Eq Gross Median			1.6		7.3		-2.6		-1.4		14.4		8.7	

4. International Equity Composite includes closing managers: Capital Guardian - Developed, Invesco. William Blair Emg funded December 2013.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
<b>REITs</b>														
CBRE Clarion - Gross	74,876,246	1.0%	-0.2	60	7.9	1	8.1	10	8.1	99	16.7	87	17.0	Oct-08
CBRE Clarion - Net			-0.3		7.7		7.7		7.8		16.5		16.7	
FTSE NAREIT Developed ex US Gross			-0.3	62	7.1	1	6.1	13	7.6	99	15.9	99	14.7	
International Equity Composite <sup>4</sup>	1,844,053,917	24.3%	5.4	50	15.9	52	18.2	49	6.1	66	13.9	32	6.9	Dec-87
MSCI ACWI ex US Index <sup>1</sup>			4.8	69	15.5	59	15.8	70	5.6	74	13.3	45	6.8	
IFx All DB ex-US Eq Gross Median			5.4		16.0		18.0		6.8		13.0		7.9	
<b>FIXED INCOME MANAGERS</b>														
Neuberger - Gross	348,752,410	4.6%	0.0	69	0.6	65	-1.9	78	3.6	73	6.2	36	7.1	Jun-88
Neuberger - Net			0.0		0.6		-2.0		3.5		6.1		7.0	
Barclays Aggregate Index			-0.1	84	0.4	83	-2.0	82	3.3	87	4.5	86	6.8	
Bradford & Marzec - Gross	349,486,235	4.6%	0.9	9	1.8	5	-0.7	22	5.1	9	7.6	10	8.0	Jun-88
Bradford & Marzec - Net			0.8		1.7		-1.0		4.9		7.3		7.8	
Barclays Aggregate Index <sup>1</sup>			-0.1	84	0.4	83	-2.0	82	3.3	87	4.5	86	6.8	
TCW MetWest Fixed - Gross	376,902,822	5.0%	0.1	60	1.0	29	-0.3	14	5.4	4	10.7	1	6.9	Dec-01
TCW MetWest Fixed - Net			-0.1		0.8		-0.5		5.2		10.5		6.7	
Barclays Aggregate Index			-0.1	84	0.4	83	-2.0	82	3.3	87	4.5	86	5.0	

1. See Appendix for Benchmark History.

4. International Equity Composite includes closing managers: Capital Guardian - Developed, Invesco. William Blair Emg funded December 2013.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>			
			Return	Rank <sup>*</sup>	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return			
Brandywine - Gross <sup>5</sup>	196,973,551	2.6%	-0.2	79	0.0	94							-2.2	May-13		
Brandywine - Net			-0.3		-0.1									-2.3		
80% Citi WGBI / 20% JPM GBI EM <sup>1</sup>			-1.2	96	1.0	86									-0.3	
Brigade Capital - Gross <sup>5</sup>	72,815,158	1.0%												0.4	Nov-13	
Brigade Capital - Net														0.4		
50% MLHY Mast II / 50% CS Lev Lns <sup>1</sup>															0.5	
<b>Fixed Income Composite</b>	<b>1,344,930,175</b>	<b>17.8%</b>	<b>0.3</b>	<b>53</b>	<b>1.0</b>	<b>49</b>	<b>-1.5</b>	<b>52</b>	<b>4.5</b>	<b>58</b>	<b>8.0</b>	<b>40</b>	<b>7.7</b>	<b>Jun-86</b>		
Barclays Aggregate Index <sup>1</sup>			-0.1	79	0.4	75	-2.0	64	3.3	84	4.4	90	6.8			
IFx All DB Total Fix Inc Gross Median			0.4		1.0		-1.3		4.9		7.0		7.1			
<b>HEDGE FUND MANAGERS <sup>6</sup></b>																
AQR DELTA II - Gross <sup>7</sup>	40,662,501	0.5%	5.2		3.9									4.0	May-13	
AQR DELTA II - Net			4.9	27	3.4	58									3.3	
91 Day T-Bill + 5%			1.2	71	2.5	70									2.9	
Blue Crest - Gross	30,653,910	0.4%	0.8		1.5		-1.0							1.3	Apr-12	
Blue Crest - Net			0.8	96	1.5	90	-1.0	95						1.3		
91 Day T-Bill + 5%			1.2	94	2.5	85	5.0	84							5.1	

1. See Appendix for Benchmark History.

5. Brandywine funded in May 2013. Brigade Capital funded in November 2013.

6. Hedge Fund managers are ranked in the eVestment Alliance net of fee universe.

7. AQR DELTA II funded in May 2013. Grosvenor SC Absolute Return B funded in January 2013. Lakewood funded in June 2013. JANA Partners funded in July 2013.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>	
			Return	Rank <sup>*</sup>	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
Claren Road Credit - Gross	32,387,315	0.4%	1.5		-0.1		7.5						5.9	Jan-12
Claren Road Credit - Net			1.0	85	-1.1	95	5.4	74					4.1	
91 Day T-Bill + 5%			1.2	81	2.5	80	5.0	75					5.7	
Elliot Associate - Gross <sup>6</sup>	17,215,908	0.2%	1.4		5.3		10.9						10.2	Apr-12
Elliot Associate - Net			1.4		5.3		10.9						10.2	
91 Day T-Bill + 5%			1.2		2.5		5.0						5.7	
Grosvenor - Gross	709,857	0.0%	-0.5		-0.8		7.2		2.1		4.7		3.9	Aug-04
Grosvenor - Net			-0.5	99	-0.8	96	7.2	71	1.8	80	4.5	80	3.4	
91 Day T-Bill + 5%			1.2	94	2.5	85	5.0	84	5.1	46	5.1	76	6.7	
Grosvenor SC Absolute Return - Gross	246,083,491	3.2%	4.9		9.1		17.2						12.6	Nov-11
Grosvenor SC Absolute Return - Net			4.7	26	8.7	12	16.3	14					11.7	
91 Day T-Bill + 5%			1.2	94	2.5	85	5.0	84					5.7	
Grosvenor SC Absolute Return B - Gross <sup>7</sup>	164,511,913	2.2%	4.0		7.6								11.8	Jan-13
Grosvenor SC Absolute Return B - Net			3.9	45	7.3	28							11.3	
91 Day T-Bill + 5%			1.2	94	2.5	85							4.6	
JANA Partners - Gross <sup>7</sup>	38,159,843	0.5%	5.7										8.5	Jul-13
JANA Partners - Net			5.2	31									7.8	
91 Day T-Bill + 5%			1.2	80									2.7	
Lakewood - Gross <sup>7</sup>	27,400,062	0.4%	6.6		6.0								6.0	Jun-13
Lakewood - Net			6.6	34	6.0	69							6.0	
91 Day T-Bill + 5%			1.2	83	2.5	86							2.5	

6. Preliminary quarterly returns as of 12/31/13 (December returns are not available at reporting period.)

7. AQR DELTA II funded in May 2013. Grosvenor SC Absolute Return B funded in January 2013. Lakewood funded in June 2013. JANA Partners funded in July 2013.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>+</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
OZ Domestic Partners II - Gross	38,595,627	0.5%	4.6		8.3		17.5						16.3	Dec-11
OZ Domestic Partners II - Net			3.9	43	7.0	31	14.6	18					13.4	
91 Day T-Bill + 5%			1.2	94	2.5	85	5.0	84					5.1	
Third Point Offshore Fund - Gross	32,621,150	0.4%	6.2		11.2		24.8						22.8	Apr-12
Third Point Offshore Fund - Net			6.2	20	11.2	24	24.8	18					22.8	
91 Day T-Bill + 5%			1.2	80	2.5	82	5.0	85					5.1	
<b>Hedge Fund Composite <sup>8</sup></b>	<b>669,001,577</b>	<b>8.8%</b>	<b>4.4</b>	<b>23</b>	<b>7.5</b>	<b>23</b>	<b>14.8</b>	<b>18</b>	<b>6.8</b>	<b>17</b>	<b>7.8</b>	<b>41</b>	<b>5.8</b>	<b>Aug-04</b>
91 Day T-Bill + 5%			1.2	93	2.5	91	5.0	91	5.1	54	5.1	82	6.7	
HFRI Fund of Funds Composite Index			3.4	63	5.2	71	8.7	83	2.4	91	4.8	85	3.5	
IFx All DB Hedge Funds Gross Median			3.7		6.2		12.0		5.2		7.3		5.5	
<b>PRIVATE EQUITY MANAGERS <sup>9</sup></b>														
Abbott VI	33,772,429	0.4%	4.0		7.5		11.9		6.2		-4.2		-5.3	Jul-08
Russell 1000 + 3% 1 Quarter Lag			6.8		10.1		23.9		19.4		12.6		8.6	
Accel-KKR IV <sup>10</sup>	359,025	0.0%	-18.0		-42.4								-42.4	Jun-13
Russell 1000 + 3% 1 Quarter Lag			6.8		10.1								10.1	
Garrison Investment Group	20,899,562	0.3%	0.9		9.3		12.8						6.2	May-12
Russell 1000 + 3% 1 Quarter Lag			6.8		10.1		23.9						20.2	

8. Hedge Fund composite are ranked against InvestorForce universe.

9. Returns are one-quarter lag.

10. Accel-KKR IV funded in June 2013. H.I.G. Bayside Loan III and EnCap Energy IX funded in January 2013. RRJ Capital funded in May 2013. Trinity Ventures XI funded in April 2013.

Wayzata Opportunities III funded in February 2013. H.I.G. Capital Partners V funded in July 2013. Marlin Equity IV funded in November 2013.



## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception <sup>†</sup>	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Goldman Sachs X	60,877,615	0.8%	10.6		17.6		31.3		19.2		-13.1		-11.9	Jun-08
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9		19.4		12.6		9.4	
HarbourVest VIII	38,133,614	0.5%	4.3		7.2		13.8		11.9		7.7		5.7	Dec-07
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9		19.4		12.6		6.4	
HarbourVest Intl VI	15,079,010	0.2%	9.7		8.4		9.3		-3.4				-27.1	Mar-09
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9		19.4				19.1	
H.I.G. Bayside Loan III <sup>10</sup>	6,510,521	0.1%	-0.6		-3.6								-12.5	Jan-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1								25.7	
H.I.G. Capital V <sup>10</sup>	221,252	0.0%	-1.3										-1.3	Jul-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8										7.9	
Khosla Ventures IV	4,587,588	0.1%	0.6		2.4		11.1						4.7	Jul-11
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9						14.7	
Marlin Equity IV <sup>10</sup>	1,553,476	0.0%											0.0	Nov-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>													3.8	
New Enterprise Associates	7,730,249	0.1%	8.5		8.5		4.7						-0.2	May-12
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9						20.2	
RRJ Capital <sup>10</sup>	7,409,974	0.1%	-6.2		11.7								11.7	May-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1								14.7	

10. Accel-KKR IV funded in June 2013. H.I.G. Bayside Loan III and EnCap Energy IX funded in January 2013. RRJ Capital funded in May 2013. Trinity Ventures XI funded in April 2013.

Wayzata Opportunities III funded in February 2013. H.I.G. Capital Partners V funded in July 2013. Marlin Equity IV funded in November 2013.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter		Fiscal YTD		1 Year		3 Year		5 Year		Since Inception *	
			Return	Rank *	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	
Summit Credit	13,082,940	0.2%	3.7		5.4		12.0						2.9	Oct-11
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9						19.0	
Summit Venture	7,209,909	0.1%	-0.5		-0.8		-1.0						-4.1	Jun-12
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9						18.7	
Trinity Ventures XI <sup>10</sup>	3,106,262	0.0%	-7.8		-22.9								-22.9	Apr-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1								16.5	
Waterland V	3,522,551	0.0%	0.7		-1.6		-10.6						-39.9	Aug-11
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1		23.9						15.8	
Wayzata Opportunities III <sup>10</sup>	2,135,807	0.0%	-5.9		-10.0								-19.8	Feb-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8		10.1								24.4	
<b>Private Equity Composite</b>	<b>226,191,784</b>	<b>3.0%</b>	<b>5.3</b>	<b>9</b>	<b>8.5</b>	<b>15</b>	<b>14.8</b>	<b>19</b>	<b>10.5</b>	<b>40</b>	<b>-1.9</b>	<b>99</b>	<b>-7.2</b>	<b>Dec-07</b>
<i>Russell 1000 + 3% 1 Quarter Lag</i>			6.8	3	10.1	8	23.9	1	19.4	2	12.6	21	6.4	
<i>IFx All DB Private Eq Net Median</i>			0.2		3.5		8.9		9.5		8.3		5.6	
<b>REAL ASSETS MANAGERS</b>														
<b>RE Separate Account Portfolios</b>														
BlackRock Leveraged - Gross	219,615,619	2.9%	3.1		6.0		11.3		14.4		5.1		9.1	Dec-98
BlackRock Leveraged - Net			2.8		5.6		10.7		13.7		4.4			
NFI-ODCE <sup>1</sup>			3.2		6.9		13.8		12.9		6.2		9.0	

1. See Appendix for Benchmark History.

10. Accel-KKR IV funded in June 2013. H.I.G. Bayside Loan III and EnCap Energy IX funded in January 2013. RRJ Capital funded in May 2013. Trinity Ventures XI funded in April 2013.

Wayzata Opportunities III funded in February 2013. H.I.G. Capital Partners V funded in July 2013. Marlin Equity IV funded in November 2013.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter	Fiscal YTD	1 Year	3 Year	5 Year	Since Inception <sup>+</sup>
			Return Rank *	Return Rank	Return Rank	Return Rank	Return Rank	Return
BlackRock Unleveraged			2.8	5.6	10.3	11.9	6.3	10.0 Sep-95
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	9.7
BlackRock II Leveraged - Gross	42,006,477	0.6%	1.3	1.6	6.5	11.9	4.1	9.6 Jun-04
BlackRock II Leveraged - Net			1.1	1.3	5.9	11.2	3.5	
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	8.8
BlackRock II Unleveraged			1.3	2.0	6.2	9.8	2.9	8.0 Sep-00
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	8.7
CornerStone Leveraged - Gross	138,292,575	1.8%	2.7	4.9	11.4	18.2	6.5	6.9 May-04
CornerStone Leveraged - Net			2.2	4.3	10.5	17.1	5.5	
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	9.0
CornerStone Unleveraged			2.1	4.0	9.2	12.9	6.6	6.4 May-04
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	9.0
<b>Real Estate - Separate</b>	<b>399,914,671</b>	<b>5.3%</b>	<b>2.7</b>	<b>5.2</b>	<b>10.1</b>	<b>14.9</b>	<b>5.3</b>	<b>2.3 Sep-08</b>
<i>NFI-ODCE <sup>1</sup></i>			3.2	6.9	13.8	12.9	6.2	4.2
<b>RE Limited Partnerships</b>								
Cornerstone Patriot - Gross	85,319,417	1.1%	2.2	4.6	11.0	12.8	3.9	6.8 Sep-04
Cornerstone Patriot - Net			2.0	4.2	10.0	11.8	3.0	
<i>NFI-ODCE</i>			3.2	6.9	14.0	13.6	3.7	6.8

1. See Appendix for Benchmark History.

Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter Return Rank *	Fiscal YTD Return Rank	1 Year Return Rank	3 Year Return Rank	5 Year Return Rank	Since Inception <sup>+</sup> Return
Jamesstown Premier Property - Gross <sup>12</sup>	15,000,000	0.2%						Dec-13
Jamesstown Premier Property - Net NFI-ODCE								
Metlife Core Property - Gross <sup>12</sup>	35,000,000	0.5%						Dec-13
Metlife Core Property - Net NFI-ODCE								
Prime Property - Gross <sup>12</sup>	35,929,942	0.5%	3.5					3.5 Sep-13
Prime Property - Net NFI-ODCE			3.3 3.2	6.9	14.0	13.6	3.7	3.3 3.2
<b>Real Estate - Limited Partnerships <sup>12</sup></b>	<b>171,249,359</b>	<b>2.3%</b>	<b>2.5</b>	<b>4.9</b>	<b>11.0</b>	<b>12.8</b>	<b>1.8</b>	<b>-1.1 Sep-08</b>
NFI-ODCE			3.2	6.9	14.0	13.6	3.7	3.2
<b>Commodities</b>								
Blackstone Commodities - Gross	59,384,379	0.8%	-2.5	1.6	-9.1	-4.2	5.1	-1.1 Apr-08
Blackstone Commodities - Net DJ UBS Commodity TR USD			-2.8 -1.1	1.1 1.1	-10.0 -9.5	-4.6 -8.1	1.5	-8.3
Gresham Investment Management - Gross	38,063,009	0.5%	-0.9	2.9	-7.0	-4.9	3.5	-8.1 Apr-08
Gresham Investment Management - Net DJ UBS Commodity TR USD			-1.1 -1.1	2.6 1.1	-7.6 -9.5	-5.3 -8.1	1.5	-8.3

12. Prime Property funded in September 2013. Jamestown Premier Property and Metlife Core Property funded in December 2013

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter Return Rank *	Fiscal YTD Return Rank	1 Year Return Rank	3 Year Return Rank	5 Year Return Rank	Since Inception <sup>†</sup> Return
<b>Private Real Assets</b>								
EnCap Energy IX <sup>9,10</sup>	3,861,923	0.1%	-4.5	-9.8				-48.2 Jan-13
<i>Russell 1000 + 3% 1 Quarter Lag</i>			<i>6.8</i>	<i>10.1</i>				<i>25.7</i>
<b>Overlay Proxy</b>								
SSgA Real Asset - Gross	412,085,055	5.4%	0.5	3.3	0.7	3.9	10.4	-0.1 Feb-08
SSgA Real Asset - Net			0.4	3.2	0.5	3.7	10.3	-0.3
<i>Blended Benchmark <sup>1,11</sup></i>			<i>0.5</i>	<i>3.3</i>	<i>1.0</i>	<i>3.9</i>	<i>10.4</i>	<i>1.0</i>
<b>Real Assets Composite <sup>13</sup></b>	<b>1,084,558,396</b>	<b>14.3%</b>	<b>1.3</b>	<b>4.0</b>	<b>3.0</b>	<b>2.5</b>	<b>9.0</b>	<b>7.1 Dec-11</b>
<i>CPI-U Headline + 5%</i>			<i>1.4</i>	<i>3.1</i>	<i>5.9</i>			<i>6.3</i>
<b>OPPORTUNISTIC MANAGERS</b>								
<b>Opportunistic Funds</b>								
Atalaya Special Opportunities V - Gross <sup>14</sup>	4,308,470	0.1%	-5.3					-5.3 Jul-13
Atalaya Special Opportunities V - Net			-5.3					-5.3
<i>Russell 1000 + 3% 1 Quarter Lag</i>			<i>6.8</i>					<i>7.9</i>

1. See Appendix for Benchmark History.

9. Returns are one-quarter lag.

10. Accel-KKR IV funded in June 2013. H.I.G. Bayside Loan III and EnCap Energy IX funded in January 2013. RRJ Capital funded in May 2013. Trinity Ventures XI funded in April 2013.

Wayzata Opportunities III funded in February 2013. H.I.G. Capital Partners V funded in July 2013. Marlin Equity IV funded in November 2013.

11. Overlay proxy for Real Assets.

13. Effective 1/1/12, composite includes Commodities and Real Estate Separate Accounts and Limited Partnerships.

14. Atalaya Special Opportunities V funded in July 2013. European RE Debt II funded in November 2013.

## Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter Return Rank *	Fiscal YTD Return Rank	1 Year Return Rank	3 Year Return Rank	5 Year Return Rank	Since Inception <sup>†</sup> Return
European RE Debt II - Gross <sup>14</sup>	26,615,831	0.4%						0.0 Nov-13
European RE Debt II - Net NFI-ODCE								0.0 3.2
<b>RE Value Added <sup>9</sup></b>								
AEWII - Gross	13,532,547	0.2%	4.3	10.8	23.0	24.3	-2.9	-1.8 May-07
AEWII - Net NCREIF + 2% 1Q Lag			4.0 3.0	10.2 6.5	21.7 13.0	22.7 14.7	-4.9 5.4	-3.8 7.2
Hines US Office II - Gross	8,935,429	0.1%	0.4	15.5	14.5	17.1	-23.5	-24.1 Aug-07
Hines US Office II - Net NCREIF + 2% 1Q Lag			-0.3 3.0	13.9 6.5	11.2 13.0	12.9 14.7	-26.9 5.4	-29.1 6.8
UBS RE - Gross	24,770,978	0.3%	0.2	2.5	6.2	14.5	-12.5	-4.3 Sep-06
UBS RE - Net NCREIF + 2% 1Q Lag			0.1 3.0	2.1 6.5	5.5 13.0	13.8 14.7	-13.4 5.4	-6.3 7.8
<b>Real Estate - Value Added</b>	<b>78,163,255</b>	<b>1.0%</b>	<b>1.3</b>	<b>7.1</b>	<b>12.6</b>	<b>17.2</b>	<b>-13.5</b>	<b>-13.1 Sep-08</b>
NCREIF + 2% 1Q Lag			3.0	6.5	13.0	14.7	5.4	5.2
<b>Opportunistic Composite <sup>15</sup></b>	<b>78,163,255</b>	<b>1.0%</b>	<b>1.3</b>	<b>7.2</b>	<b>15.0</b>	<b>14.5</b>	<b>18.7</b>	<b>7.3 Oct-07</b>
Opportunistic Benchmark <sup>1</sup>			4.3	9.0	14.0	11.7	9.5	8.9

1. See Appendix for current and historical policy.

9. Returns are one-quarter lag.

14. Atalaya Special Opportunities V funded in July 2013. European RE Debt II funded in November 2013.

15. PIMCO Distressed Mortgage and TCW MetWest TALF terminated in March 2013.

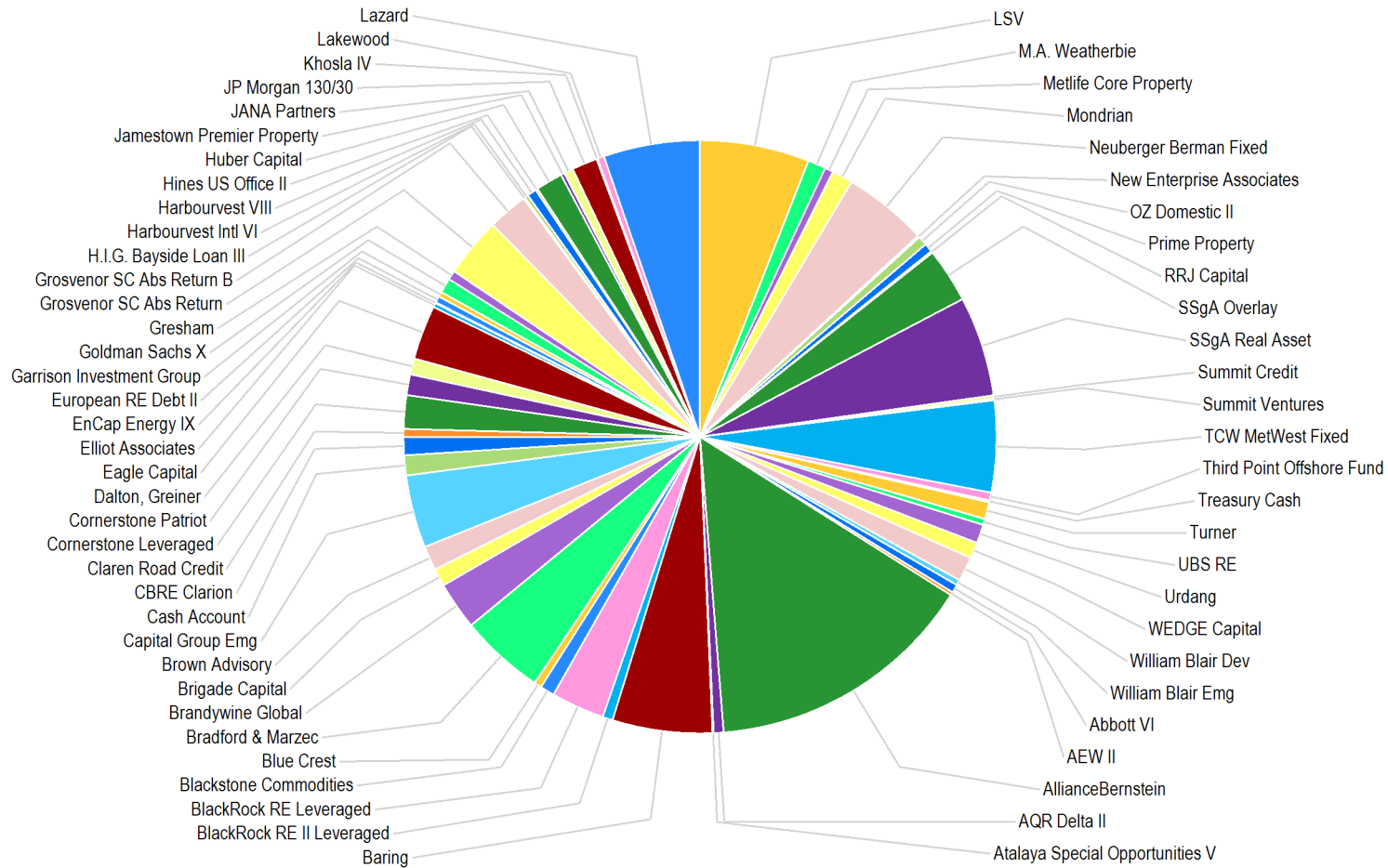
Performance Summary

Periods Ending December 31, 2013

	Asset \$	%	1 Quarter	Fiscal YTD	1 Year	3 Year	5 Year	Since Inception <sup>+</sup>
			Return Rank *	Return Rank	Return Rank	Return Rank	Return Rank	Return
<b>CASH</b>								
Cash	82,856,789	1.1%	0.0	0.0	0.0	0.2	0.2	3.6 Jun-92
91 Day T-Bills			0.0	0.0	0.0	0.1	0.1	2.9
Treasury Cash	7,553,289	0.1%	0.1	0.2	0.4	0.4		
91 Day T-Bills			0.0	0.0	0.0	0.1		
<b>Cash Composite</b>	<b>90,410,078</b>	<b>1.2%</b>	<b>0.1</b>	<b>0.4</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>3.6 Jun-92</b>
91 Day T-Bills			0.0	0.0	0.0	0.1	0.1	2.9

Manager Allocation Analysis - Total Plan

As Of December 31, 2013





## Manager Allocation Analysis - Total Plan

As Of December 31, 2013

	Current Balance	Current Allocation
AllianceBernstein	\$1,117,048,211	14.7%
JP Morgan 130/30	\$104,540,317	1.4%
Brown Advisory	\$101,156,740	1.3%
INTECH	\$478	0.0%
Eagle Capital	\$223,421,179	2.9%
Huber Capital	\$111,150,788	1.5%
Pzena	\$1,249	0.0%
Transition Acct 1	\$480	0.0%
M.A. Weatherbie	\$74,178,144	1.0%
Turner	\$69,989,400	0.9%
Dalton, Greiner	\$66,036,440	0.9%
WEDGE Capital	\$66,332,641	0.9%
TS & W	\$5	0.0%
Transition Acct 2	\$1,230	0.0%
Urdang	\$77,245,162	1.0%
Principal Global Inv	\$174,112	0.0%
Baring	\$411,836,851	5.4%
Lazard	\$395,711,214	5.2%
LSV	\$452,285,857	6.0%
Mondrian	\$85,915,395	1.1%
William Blair Dev	\$100,801,243	1.3%
Capital Group Dev	\$5,932	0.0%
Invesco	\$17,929	0.0%
Capital Group Emg	\$299,670,974	4.0%
William Blair Emg	\$22,932,277	0.3%
CBRE Clarion	\$74,876,246	1.0%
Bradford & Marzec	\$349,486,235	4.6%
Brandywine Global	\$196,973,551	2.6%

## Manager Allocation Analysis - Total Plan

As Of December 31, 2013

	Current Balance	Current Allocation
Brigade Capital	\$72,815,158	1.0%
Neuberger Berman Fixed	\$348,752,410	4.6%
TCW MetWest Fixed	\$376,902,822	5.0%
AQR Delta II	\$40,662,501	0.5%
Blue Crest	\$30,653,910	0.4%
Claren Road Credit	\$32,387,315	0.4%
Elliot Associates	\$17,215,908	0.2%
Grosvenor	\$709,857	0.0%
Grosvenor SC Abs Return	\$246,083,491	3.2%
Grosvenor SC Abs Return B	\$164,511,913	2.2%
JANA Partners	\$38,159,843	0.5%
Lakewood	\$27,400,062	0.4%
OZ Domestic II	\$38,595,627	0.5%
Third Point Offshore Fund	\$32,621,150	0.4%
Abbott VI	\$33,772,429	0.4%
Accel-KKR IV	\$359,025	0.0%
Garrison Investment Group	\$20,899,562	0.3%
Goldman Sachs X	\$60,877,615	0.8%
Harbourvest VIII	\$38,133,614	0.5%
Harbourvest Intl VI	\$15,079,010	0.2%
H.I.G. Bayside Loan III	\$6,510,521	0.1%
H.I.G. Capital V	\$221,252	0.0%
Khosla IV	\$4,587,588	0.1%
Marlin Equity IV	\$1,553,476	0.0%
New Enterprise Associates	\$7,730,249	0.1%
RRJ Capital	\$7,409,974	0.1%
Summit Credit	\$13,082,940	0.2%
Summit Ventures	\$7,209,909	0.1%

## Manager Allocation Analysis - Total Plan

As Of December 31, 2013

	Current Balance	Current Allocation
Trinity Ventures XI	\$3,106,262	0.0%
Waterland V	\$3,522,551	0.0%
Wayzata Opportunities III	\$2,135,807	0.0%
Blackstone Commodities	\$59,384,379	0.8%
EnCap Energy IX	\$3,861,923	0.1%
Gresham	\$38,063,009	0.5%
SSgA Real Asset	\$412,085,055	5.4%
BlackRock RE Leveraged	\$219,615,619	2.9%
BlackRock RE II Leveraged	\$42,006,477	0.6%
Cornerstone Leveraged	\$138,292,575	1.8%
Cornerstone Patriot	\$85,319,417	1.1%
Jamestown Premier Property	\$15,000,000	0.2%
Metlife Core Property	\$35,000,000	0.5%
Prime Property	\$35,929,942	0.5%
AEW II	\$13,532,547	0.2%
Atalaya Special Opportunities V	\$4,308,470	0.1%
European RE Debt II	\$26,615,831	0.4%
Hines US Office II	\$8,935,429	0.1%
UBS RE	\$24,770,978	0.3%
Cash Account	\$82,856,789	1.1%
Treasury Cash	\$7,553,289	0.1%
Heitman Adv JMB V	\$11,651	0.0%
SSgA Overlay	\$225,412,595	3.0%
<b>Total</b>	<b>\$7,574,010,005</b>	<b>100.0%</b>

Risk Statistics Summary - Total Plan

Periods Ending December 31, 2013

**Statistics Summary**

**3 Years**

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank	Information Ratio	Information Ratio Rank	Tracking Error	Tracking Error Rank
Total Fund	10.0%	36	8.7%	79	1.1	64	0.3	33	2.0%	51
Policy Index	9.3%	62	7.2%	29	1.3	25	--	--	0.0%	1
Total Fund ex Overlay	9.2%	64	8.3%	68	1.1	72	-0.1	64	1.6%	14
Policy Index	9.3%	62	7.2%	29	1.3	25	--	--	0.0%	1

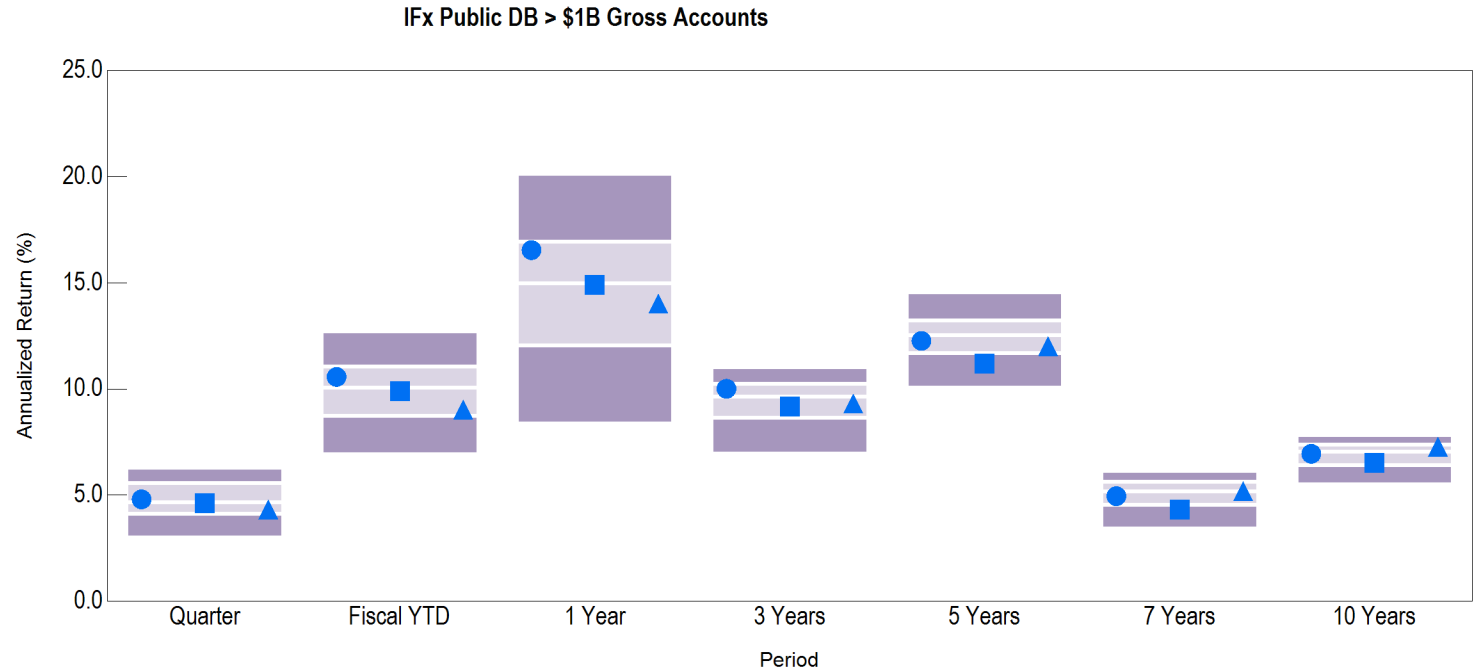
**Statistics Summary**

**5 Years**

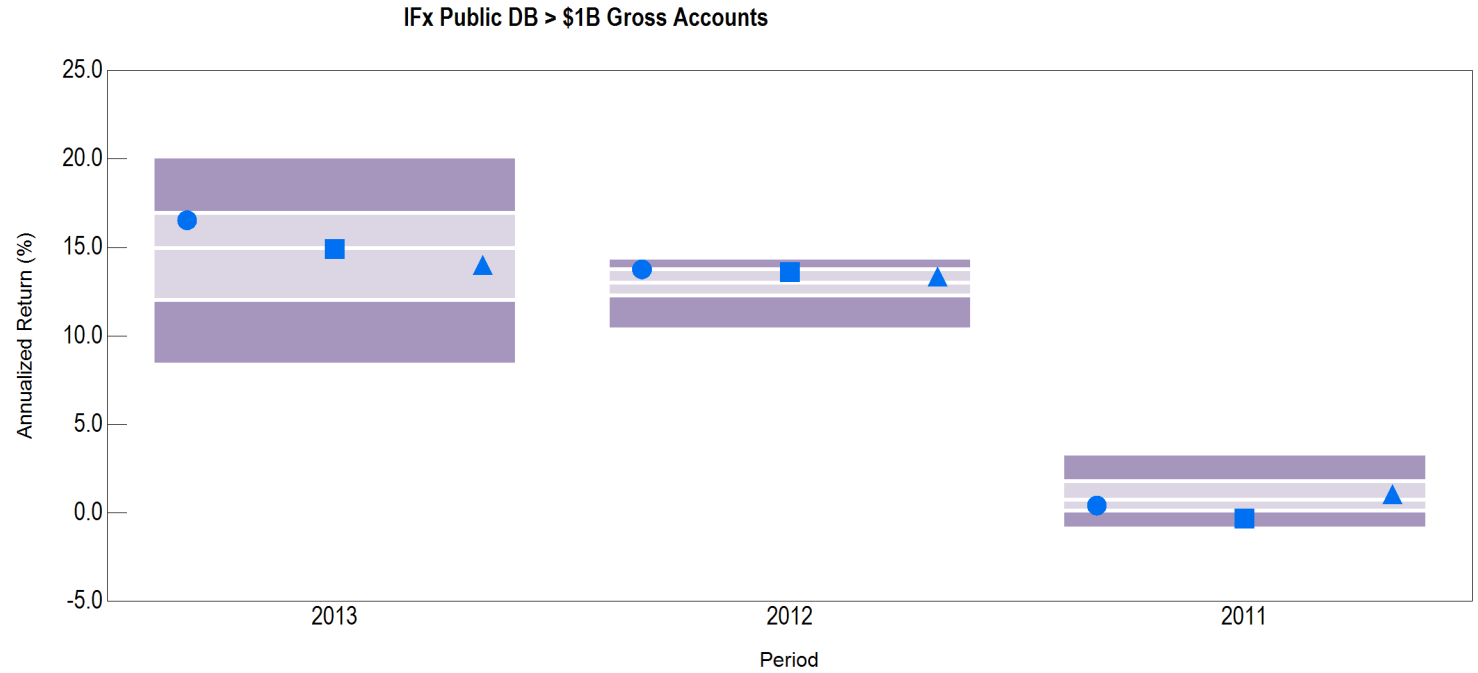
	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank	Information Ratio	Information Ratio Rank	Tracking Error	Tracking Error Rank
Total Fund	12.3%	56	10.2%	69	1.2	82	0.1	57	2.5%	51
Policy Index	12.0%	66	10.1%	66	1.2	84	--	--	0.0%	1
Total Fund ex Overlay	11.2%	81	9.5%	49	1.2	87	-0.3	83	2.9%	75
Policy Index	12.0%	66	10.1%	66	1.2	84	--	--	0.0%	1

Total Returns - Total Plan

Periods Ending December 31, 2013



	Return (Rank)						
	Quarter	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years
5th Percentile	6.3	12.7	20.1	11.0	14.5	6.1	7.8
25th Percentile	5.6	11.1	17.0	10.3	13.2	5.6	7.4
Median	4.7	10.1	15.0	9.6	12.6	5.2	7.0
75th Percentile	4.1	8.7	12.1	8.7	11.7	4.6	6.4
95th Percentile	3.0	6.9	8.4	7.0	10.1	3.4	5.5
# of Portfolios	57	57	57	57	57	54	53
● Total Fund	4.8 (49)	10.6 (34)	16.5 (31)	10.0 (36)	12.3 (56)	4.9 (62)	6.9 (56)
■ Total Fund ex Overlay	4.6 (56)	9.9 (54)	14.9 (51)	9.2 (64)	11.2 (81)	4.3 (88)	6.5 (72)
▲ Policy Index	4.3 (68)	9.0 (69)	14.0 (63)	9.3 (62)	12.0 (66)	5.2 (53)	7.3 (31)

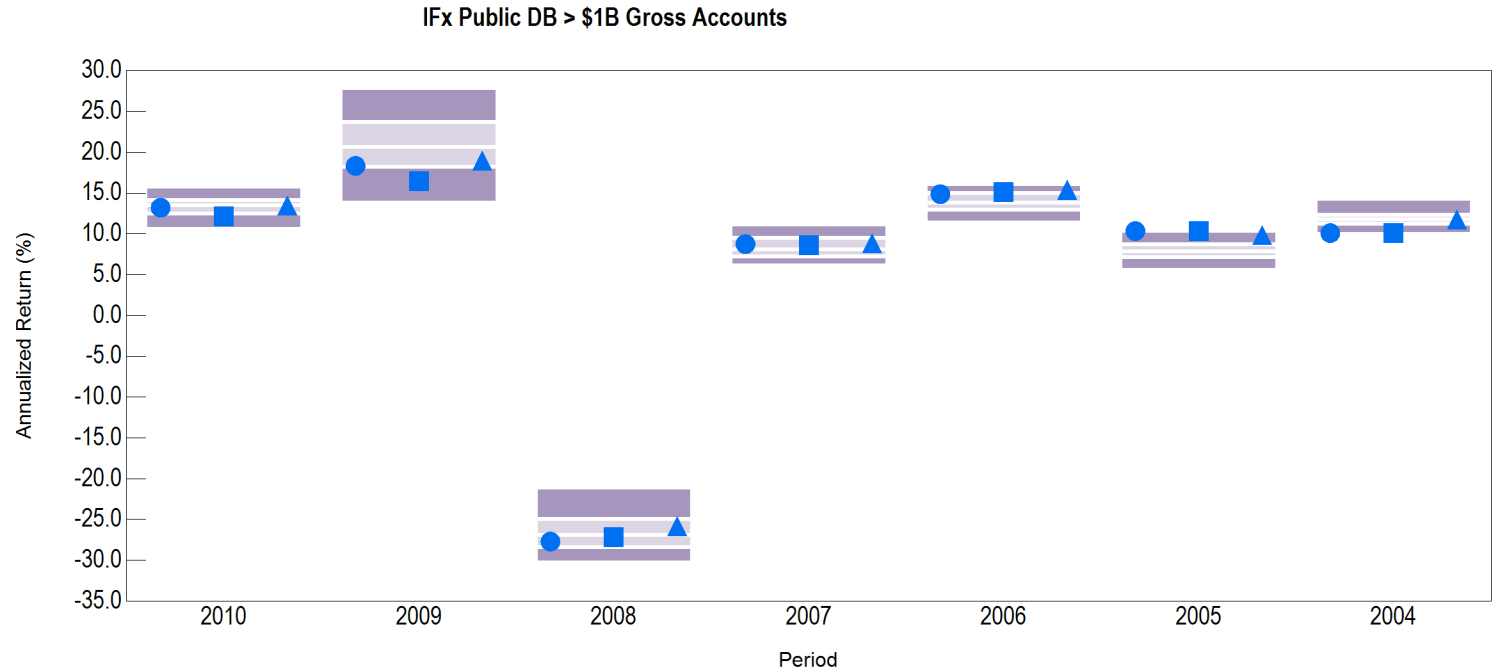


Return (Rank)

5th Percentile	20.1		14.4		3.3	
25th Percentile	17.0		13.8		1.8	
Median	15.0		13.0		0.8	
75th Percentile	12.1		12.3		0.1	
95th Percentile	8.4		10.4		-0.9	
# of Portfolios	57		51		49	
● Total Fund	16.5	(31)	13.8	(28)	0.4	(56)
■ Total Fund ex Overlay	14.9	(51)	13.6	(36)	-0.3	(83)
▲ Policy Index	14.0	(63)	13.4	(39)	1.0	(37)

Total Returns - Total Plan

Calendar Year Periods



	Return (Rank)													
	2010		2009		2008		2007		2006		2005		2004	
5th Percentile	15.7	(63)	27.8	(75)	-21.2	(65)	11.1	(44)	16.1	(30)	10.4	(6)	14.3	(95)
25th Percentile	14.2	(84)	23.7	(85)	-24.9	(53)	9.6	(46)	15.1	(25)	8.8	(6)	12.4	(95)
Median	13.5	(55)	20.7	(63)	-26.8	(42)	8.1	(42)	13.9	(21)	7.9	(9)	11.8	(55)
75th Percentile	12.5		18.3		-28.3		7.2		13.0		7.2		11.3	
95th Percentile	10.6		13.9		-30.2		6.2		11.4		5.6		10.0	
# of Portfolios	49		49		48		47		41		41		39	
● Total Fund	13.2	(63)	18.3	(75)	-27.7	(65)	8.7	(44)	14.9	(30)	10.3	(6)	10.1	(95)
■ Total Fund ex Overlay	12.2	(84)	16.4	(85)	-27.2	(53)	8.6	(46)	15.1	(25)	10.3	(6)	10.1	(95)
▲ Policy Index	13.5	(55)	19.0	(63)	-25.8	(42)	8.9	(42)	15.4	(21)	9.8	(9)	11.8	(55)

Policy and Benchmarks Index History

**Total Plan Policy**

	As of:					
	1/1/2012	1/1/2008	2/1/2006	9/1/2004	1/1/2000	7/1/1986
Russell 3000	22.5%	30.0%				47.0%
Russell 1000			30.0%	30.0%	35.0%	
Russell 2000			5.0%	5.0%	5.0%	
MSCI AC World ex US	22.5%	20.0%				
MSCI EAFE			15.0%	15.0%	15.0%	15.0%
MSCI Emg Mkt			5.0%	5.0%	5.0%	
Barclays Aggregate	20.0%	20.0%	25.0%	25.0%	30.0%	
Citigroup BIG						23.0%
NCREIF Property		12.0%	12.0%	15.0%	10.0%	15.0%
NAREIT Equity		3.0%	3.0%			
91 Day T Bill + 5%	10.0%	5.0%	5.0%	5.0%		
Dow Jones UBS Commodity		5.0%				
S&P 500 + 2% 1Q Lag		5.0%				
Russell 1000 + 3% 1Q Lag	10.0%					
CPI-U Headline + 5%	15.0%					
	100%	100%	100%	100%	100%	100%

**US Equity Benchmark**

	As of:			
	1/1/2008	9/1/2004	1/1/2000	7/1/1986
Russell 1000		85.70%	87.50%	
Russell 2000		14.30%	22.50%	
Russell 3000	100.00%			100.00%
	100%	100%	110%	100%

**AllianceBernstein Benchmark**

	As of:		
	1/1/2001	1/1/1998	5/1/1989
Russell 1000	100%		
Russell 3000		100%	
Wilshire 2500			100%
	100.0%	100.0%	100.0%

**International Equity Benchmark**

	As of:		
	1/1/2008	1/1/2000	7/1/1986
MSCI AC World ex US	100.00%		
MSCI EAFE		75.00%	100.00%
MSCI Emg Mkt		25.00%	
	100.0%	100.0%	100.0%

**LSV Benchmark**

	As of:	
	7/1/2012	1/1/2005
MSCI World ex US	100%	
MSCI EAFE Value		100%
	100.0%	100.0%

**US Fixed Income Benchmark**

	As of:	
	1/1/2000	7/1/1986
Citigroup BIG		100.00%
Barclays Aggregate	100.00%	
	100.0%	100.0%

**Bradford & Marzec Benchmark**

	As of:	
	10/1/1998	7/1/1988
Barclays Aggregate	100%	
Citigroup BIG		100%
	100.0%	100.0%

**Brandywine Benchmark**

	As of:
	6/1/2013
Citi WGBI	80%
JPM GBI Emg Mkt Diversified	20%
	100.0%

**Brigade Benchmark**

	As of:
	11/1/2013
BofA ML HY Master II TR	50%
Credit Suisse Leverage Loans	50%
	100.0%

**Private Equity**

	As of:	
	1/1/2012	1/1/2008
Russell 1000 + 3% 1Q Lag	100%	
S&P 500 +2% 1Q Lag		100%
	100.0%	100.0%

**Real Asset Benchmark**

	As of:
	1/1/2012
CPI-U Headline + 5%	100%
	100%

**SSgA Real Asset Benchmark**

	As of:
	2/1/2008
MSCI World Natural Resources Index	25%
Dow Jones US Select REIT	30%
BC Global Inflation Linked: US Tips	20%
Goldman Sachs Commodities Index	25%
	100.0%

**Real Estate Benchmark**

	As of:	
	4/1/2013	1/1/1999
NFI-ODCE	100%	
NCREIF Property		100%
	100%	100%

**Opportunistic Benchmark**

	As of:	
	1/1/2012	11/1/2007
Policy Index	100%	
Barclays Aggregate		100%
	100%	100%