



# Water and Power Employees' Retirement Plan

Investment Performance Analysis

Period Ended: December 31, 2014



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## Executive Summary

### Capital Markets Review

Multiple periods of heightened volatility hit global markets in the fourth quarter. However, a strengthening of the U.S. dollar combined with rapidly falling oil prices caused domestic markets to decouple from international markets. The U.S. equity market rallied significantly at the end of the year, supported by a revised third quarter GDP growth estimate of 5%. Emerging economies, which have a greater dependency on commodity exports, were hurt by deflationary headwinds resulting from an oversupply of oil and weaker than expected demand in developed economies. Market participants responded by flocking to dollar-denominated assets, and long duration U.S. treasuries in particular. Although U.S. long-term rates fell significantly during 2014, including a notable drop in the fourth quarter, they are still among the highest in the developed world, and thus remain attractive, on a relative basis, to investors.

The U.S. economy continues to show strength compared to foreign regions as economic data released during the quarter suggests that the recovery has gained momentum despite the Fed's reduction of quantitative easing. The ISM PMI averaged 57.3 in the fourth quarter, suggesting strong expansion in the manufacturing sector. Non-farm payroll jobs increased at an average monthly rate of 289,000, rounding out the strongest year of job gains since 1999. Further, the unemployment rate continued to decline, ending the year at 5.6%. Despite the progress on the employment front, the Fed remains keenly aware of other indicators that suggest continued fragility of the U.S. economy. For example, wage growth remains muted, and the long-term unemployment rate and the level of workers employed part time for economic reasons remain elevated. Although falling oil and gas prices drove the headline consumer price index (CPI) lower, core inflation (excluding food and energy prices) remains close to the Fed's stated 2% target. While market participants continue to forecast interest rate hikes by mid-2015, further signs of disinflation could push the date out further.

Economic developments in Europe and emerging economies were less impressive. European monetary policy has proven successful in recapitalizing the banking system; however, lending remains constrained due to weak loan demand from the private sector. In an effort to spur growth and make lending more attractive, the ECB recently announced quantitative easing plans involving the purchase of up to €500 billion of investment grade securities. Within emerging economies, falling oil prices and a rising U.S. dollar have led to renewed concerns over possible balance of payments issues and capital flight. Russia's prospects deteriorated as the ruble declined 32% against the dollar, even as the Russian Central Bank increased rates to 17% from 6.5%.

### Total Fund

During the fourth quarter, the Retirement Plan outperformed its policy benchmark by 80 basis points and ranked in the 54<sup>th</sup> percentile among peers. Similarly, the Health Plan outperformed its policy benchmark by 79 basis points and ranked in the 54<sup>th</sup> percentile among peers.

Over the one-year trailing period, the Retirement Plan outperformed the policy benchmark by 11 basis points and ranked above its peer group median in the 44<sup>th</sup> percentile. The Health Plan



underperformed the policy benchmark by 1 basis point and ranked above its peer group median in the 48<sup>th</sup> percentile.

With domestic equity posting the strongest absolute returns for the quarter and one-year trailing period, an overweight allocation (relative to the stated target allocation) to this asset class was additive to the Plan's performance over both time periods. Additionally, despite underperforming on an absolute basis, international equity was the largest contributor to the Plan's relative outperformance due to the strong returns of the active managers versus their respective benchmarks. Over the trailing one-year period, the underweight allocation to private equity was the biggest detractor from performance. However, it is important to note that this asset class is still in the process of being funded.

### **Domestic Equity**

The Domestic Equity Composite posted similar returns to the Russell 3000 Index for the quarter, returning 5.20% vs. 5.24% for the index. This performance ranked the composite just below median in the 54<sup>th</sup> percentile among peers. Small cap and large cap value equity were both additive to composite performance during the fourth quarter. The small cap managers performed the strongest on an absolute and relative basis, posting double digit returns and top quartile performance. Conversely, large cap growth detracted from relative performance for the composite, despite posting positive absolute returns.

### **International Equity**

The International Equity Composite outperformed on a relative basis during the fourth quarter, outpacing the MSCI ACW Ex US Investable Markets Index by 213 basis points and ranking in the top quartile among peers. Each active developed and emerging markets manager outperformed their respective benchmark. However, despite strong relative performance, international equity was the only composite to post a negative absolute return during the fourth quarter.

### **Fixed Income**

The Fixed Income Composite outperformed the Barclays US Universal Bond Index by 26 basis points during the fourth quarter, resulting in a top quartile rank among peers. Core fixed income was the most additive on an absolute basis with both managers posting returns roughly in-line with the Barclays US Aggregate Bond Index. However, the high yield fixed income managers were the strongest contributors on a relative basis, ranking in the top quartile among peers despite low absolute returns for the asset class.

### **Alternative Asset Classes**

#### **REAL RETURN**

The Real Return Composite slightly underperformed the Consumer Price Index + 3% for the quarter, returning 0.02%. Hedge funds had a mixed impact on composite performance, with the



divergent strategy contributing to the composite while the convergent strategy detracted. TIPS contributed to performance on an absolute basis and ranked above median relative to peers, despite underperforming its index. Commodities performed well on a relative basis, but ultimately posted a negative return for the quarter which detracted from absolute performance for the composite.

#### **COVERED CALLS**

The Covered Calls Composite underperformed the CBOE S&P 500 BuyWrite Index by 82 basis points during the fourth quarter. The passive strategy was a detractor for the quarter, posting negative absolute and relative returns, while the active strategy was additive in both respects.

**Water and Power Employees' Retirement Plan  
Summary of Watch List Changes**

**As of December 31, 2014**

| Watch List Managers              | Date Placed on Watch | Recent Performance |        |             |        | Reasons on Watch  | Recommendation  |
|----------------------------------|----------------------|--------------------|--------|-------------|--------|---|---|
|                                  |                      | 2014 Q4            |        | 2014 Q3     |        |   |   |
|                                  |                      | Manager (%)        | BM (%) | Manager (%) | BM (%) |   |   |
| New On Watch                     |                      |                    |        |             |        |   |   |
| Wells High Yield (SA)            | 12/31/2014           | 4.69               | 2.46   | 7.91        | 7.19   | Wells High Yield (SA) failed the long-term watch criteria with a 2014 Q4 VRR of 0.94 and 2014 Q3 VRR of 0.89. | Performance and management are continuously being monitored |
| Continues On Watch               |                      |                    |        |             |        |   |   |
| Frontier Small Cap Growth (SA)   | 5/31/2012            | 6.04               | 5.60   | 3.27        | 3.79   |   | Performance and management are continuously being monitored |
| WAMCO (SA)                       | 11/30/2013           | 8.75               | 9.04   | 5.66        | 4.76   |   | Performance and management are continuously being monitored |
| Off Watch                        |                      |                    |        |             |        |   |   |
| MFS Large Cap Value (SA)         | 8/31/2012            | 11.86              | 13.45  | 16.67       | 18.89  |   |   |
| Fred Alger Large Cap Growth (SA) | 5/31/2012            | 11.75              | 13.05  | 21.45       | 19.15  |   |   |
| Pyramis (SA)                     | 4/30/2013            | -5.94              | -4.45  | 3.91        | 4.67   |   |   |
| Gateway - Active (SA)            | 3/31/2013            | 7.82               | 5.64   | 11.72       | 14.1   |   |   |

Performance is shown gross of fees.  
Please see the Appendix for manager watch list criteria.

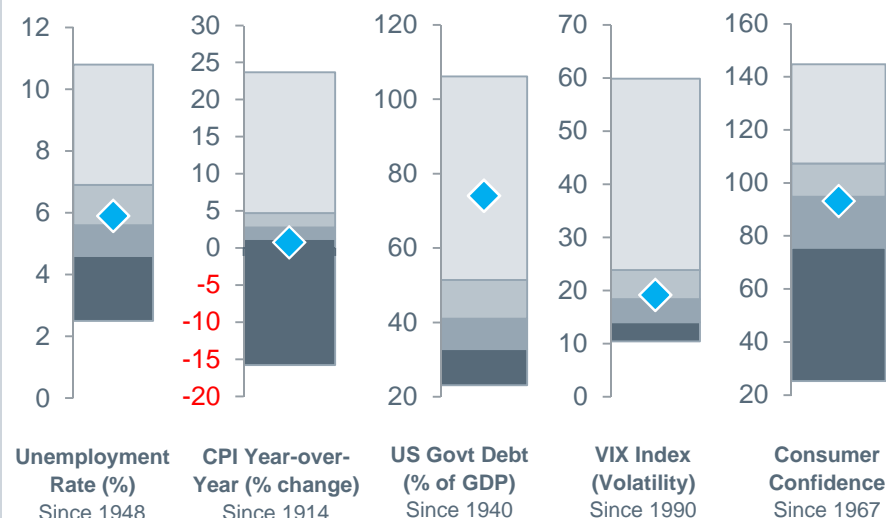


## Fourth Quarter Economic Environment

## Key Economic Indicators

Multiple periods of heightened volatility hit global markets in Q4. However, a strengthening of the U.S. dollar combined with rapidly falling oil prices caused domestic markets to decouple from international markets. The U.S. economy continues to show strength compared to foreign regions. Non-farm payroll jobs increased at an average monthly rate of 289,000 rounding out the strongest year of job gains since 1999. Furthermore, the unemployment rate continued to decline, ending the year at 5.6%. While market participants continue to forecast interest rate hikes by mid-2015, further signs of disinflation could push the date out further. Economic developments in Europe and emerging economies were less impressive. European monetary policy has proven successful in recapitalizing the banking system; however, lending remains constrained due to weak loan demand from the private sector. Within emerging economies, falling oil prices and a rising U.S. dollar have led to renewed concerns over possible balance of payments issues and capital flight.

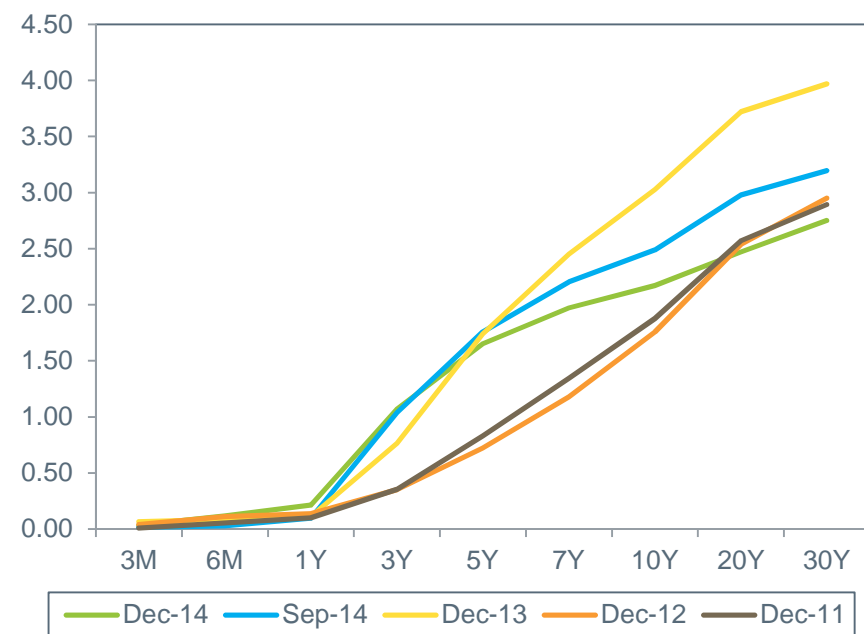
## Key Economic Indicators



| Economic Indicators           | Dec-14  | Sep-14 | Dec-13 | Dec-11 | 20 Yr |
|-------------------------------|---------|--------|--------|--------|-------|
| Federal Funds Rate (%)        | 0.06 ▼  | 0.07   | 0.07   | 0.04   | 2.85  |
| Breakeven Infl. - 1 Yr (%)    | -0.21 ▼ | -0.19  | 1.50   | 1.22   | 1.14  |
| Breakeven Infl. - 10 Yr (%)   | 1.68 ▼  | 1.97   | 2.23   | 1.95   | 2.05  |
| CPI YoY (Headline) (%)        | 0.80 ▼  | 1.70   | 1.50   | 3.00   | 2.38  |
| Unemployment Rate (%)         | 5.60 ▼  | 5.90   | 6.70   | 8.50   | 6.01  |
| Real GDP YoY (%)              | 2.40 ▼  | 2.70   | 3.10   | 1.70   | 2.47  |
| PMI - Manufacturing           | 52.90 ▼ | 56.10  | 56.10  | 52.80  | 52.03 |
| USD Total Wtd Idx (%)         | 85.13 ▲ | 81.09  | 76.20  | 73.35  | 86.26 |
| WTI Crude Oil per Barrel (\$) | 53 ▼    | 91     | 98     | 99     | 53.51 |
| Gold Spot per Oz (\$)         | 1,185 ▼ | 1,208  | 1,206  | 1,564  | 704   |

| Market Performance (%) | QTD    | YTD    | 1 Yr   | 5 Yr  | 10 Yr |
|------------------------|--------|--------|--------|-------|-------|
| S&P 500 (Cap Wtd)      | 4.93   | 13.69  | 13.69  | 15.45 | 7.67  |
| Russell 2000           | 9.73   | 4.89   | 4.89   | 15.54 | 7.77  |
| MSCI EAFE (Net)        | -3.57  | -4.90  | -4.90  | 5.33  | 4.43  |
| MSCI EAFE SC (Net)     | -2.27  | -4.95  | -4.95  | 8.63  | 6.04  |
| MSCI Emg Mkts (Net)    | -4.50  | -2.19  | -2.19  | 1.78  | 8.43  |
| Barclays US Agg Bond   | 1.79   | 5.97   | 5.97   | 4.45  | 4.71  |
| BofA ML 3 Mo US T-Bill | 0.00   | 0.04   | 0.04   | 0.09  | 1.54  |
| NCREIF ODCE (Gross)    | 3.26   | 12.50  | 12.50  | 13.93 | 7.10  |
| Wilshire US REIT       | 15.13  | 31.78  | 31.78  | 17.26 | 8.26  |
| HFN FOF Multi-Strat    | 0.67   | 3.03   | 3.03   | 3.12  | 2.75  |
| Bloomberg Cmtdy (TR)   | -12.10 | -17.01 | -17.01 | -5.53 | -1.86 |

## Treasury Yield Curve (%)



Treasury data courtesy of the U.S. Department of the Treasury. Economic data courtesy of Bloomberg Professional Service.

## Fourth Quarter Review

## Broad Market

The U.S. equity market rallied significantly in October and November, supported by a revised Q3 GDP growth estimate of 5%.

## Market Cap

As the risk appetite of investors increased during the quarter, small-cap stocks outpaced the mid- and large-cap segments with a spread of nearly 500 basis points between the Russell 2000 and Russell 1000. This represented a trend reversal, as small-cap underperformed large-cap earlier in 2014.

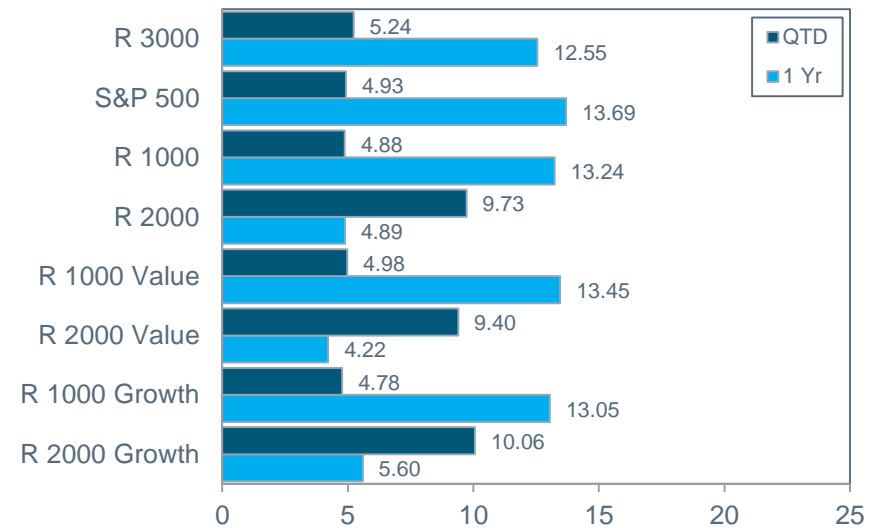
## Style

Value stocks finished the year on a positive note with the spread between the Russell 3000 Value and Russell 3000 Growth increasing by 26 basis points for the year.

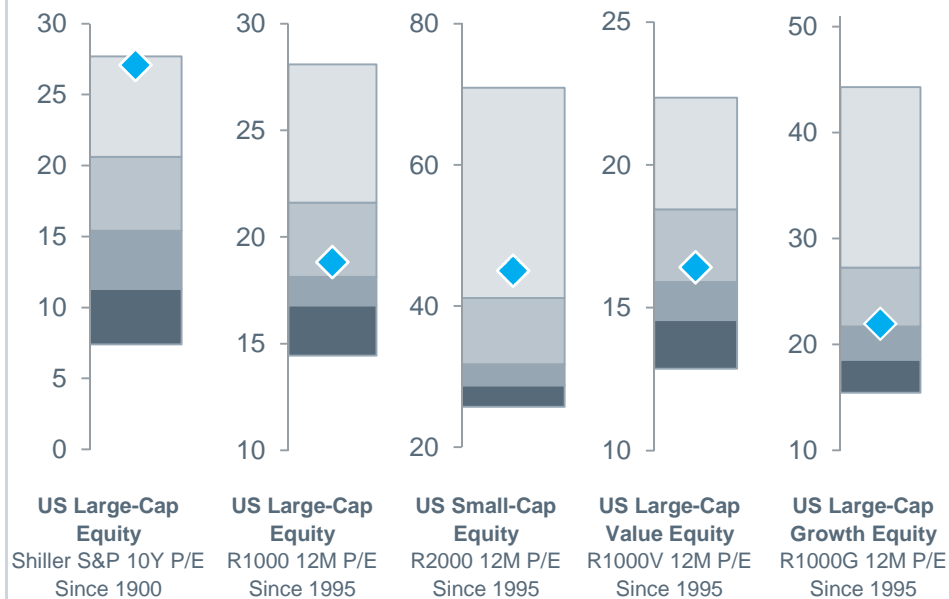
## Sector

Due to a spike in volatility and anticipation of interest rate declines, high dividend stocks outperformed lower yielding stocks, with the strongest results in the Utilities sector. Energy stocks lagged the general market significantly for the quarter.

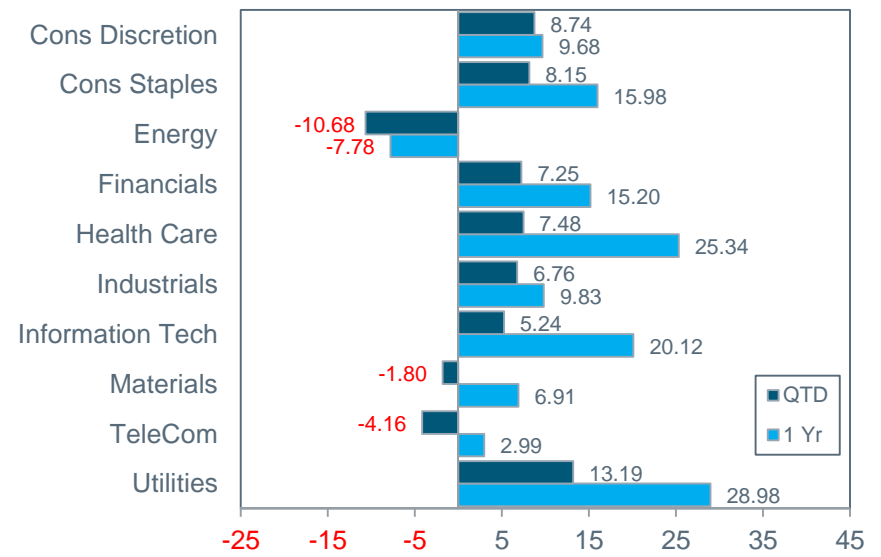
## Style and Capitalization Market Performance (%)



## Valuations



## S&amp;P 500 Index Sector Performance (%)



Valuation data courtesy of Bloomberg Professional Service and Robert J. Shiller, Irrational Exuberance, Second Edition.  
P/E metrics shown represent the 5th through 95th percentiles to minimize the effect of outliers.



### Fourth Quarter Review

#### Broad Market

Poor performance plagued developed international markets across the board, while emerging economies were hurt by deflationary headwinds from an oversupply of oil and weaker than expected demand in developed countries.

#### Market Cap & Style

Small-cap outperformed for the quarter but was in line with large-cap for the full year. Growth stocks significantly outperformed value for the quarter and finished ahead of value stocks over the calendar year.

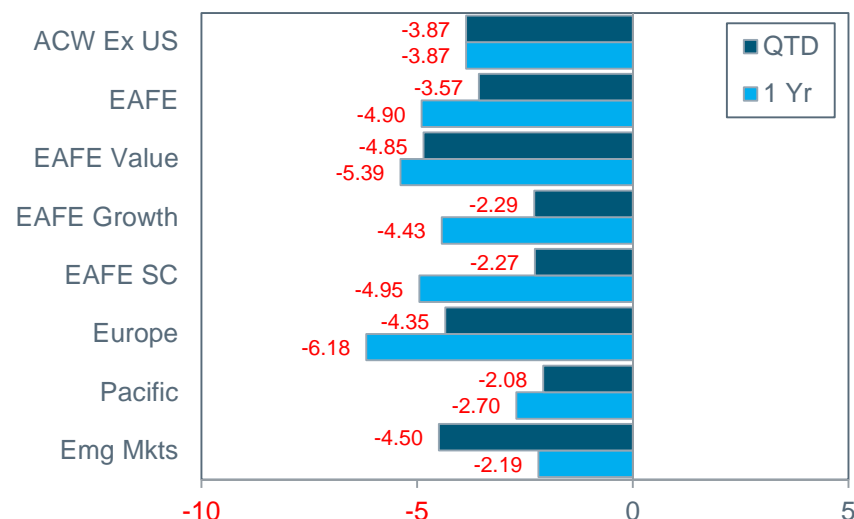
#### Developed Markets

One of the only bright spots in the developed world was Hong Kong. In September, China announced reforms to the Hong Kong electoral system which spurred protests. Upon the dissolution of the protests in December, the market moved into positive territory.

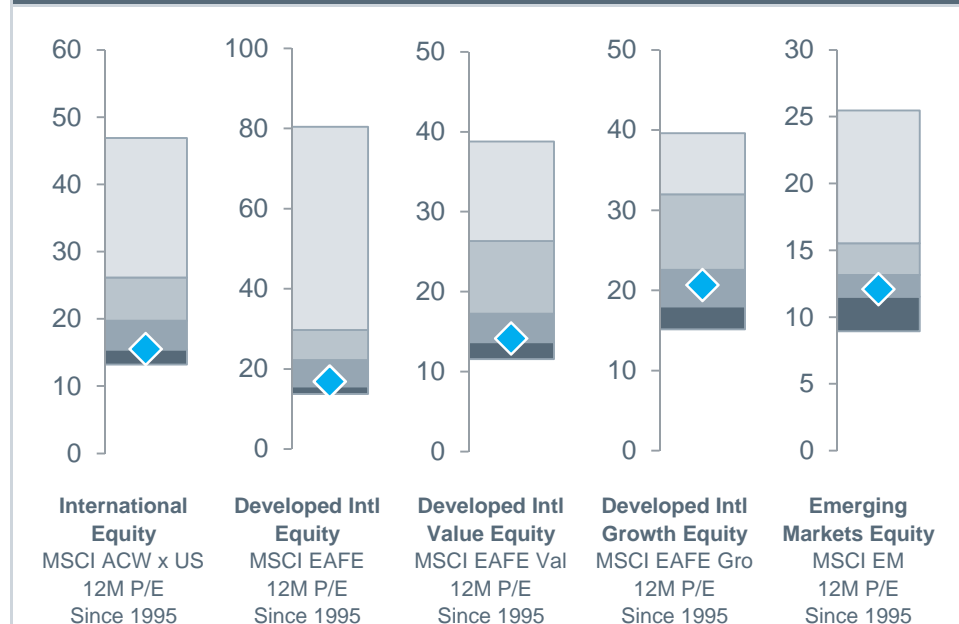
#### Emerging Markets

Emerging and frontier markets returned less than their developed counterparts. Russia, which was impacted by collapsing oil prices and increased Ukraine-related economic sanctions, was the worst performer.

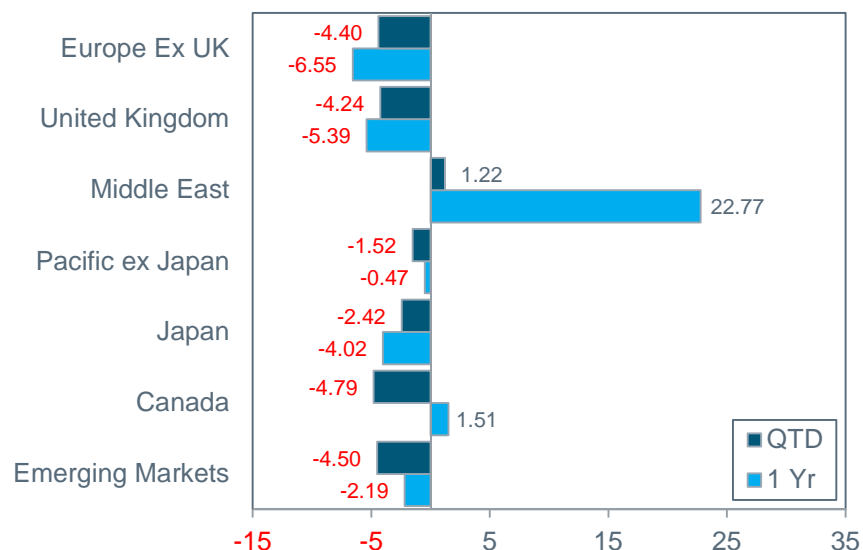
### MSCI Style and Capitalization Market Performance (%)



### Valuations



### MSCI Region Performance (%)



Valuation data courtesy of Bloomberg Professional Service.

P/E metrics shown represent the 5th through 95th percentiles to minimize the effect of outliers. All returns are shown net of foreign taxes on dividends.

## Fourth Quarter Review

## Broad Market

U.S. fixed income performed modestly well as the treasury yield curve flattened over the quarter. The Barclays U.S. Aggregate Index returned 1.8% for the quarter, ending 2014 with a return above its 5- and 10-year averages. 2014 was the second least volatile year since the inception of the Barclays U.S. Aggregate Index.

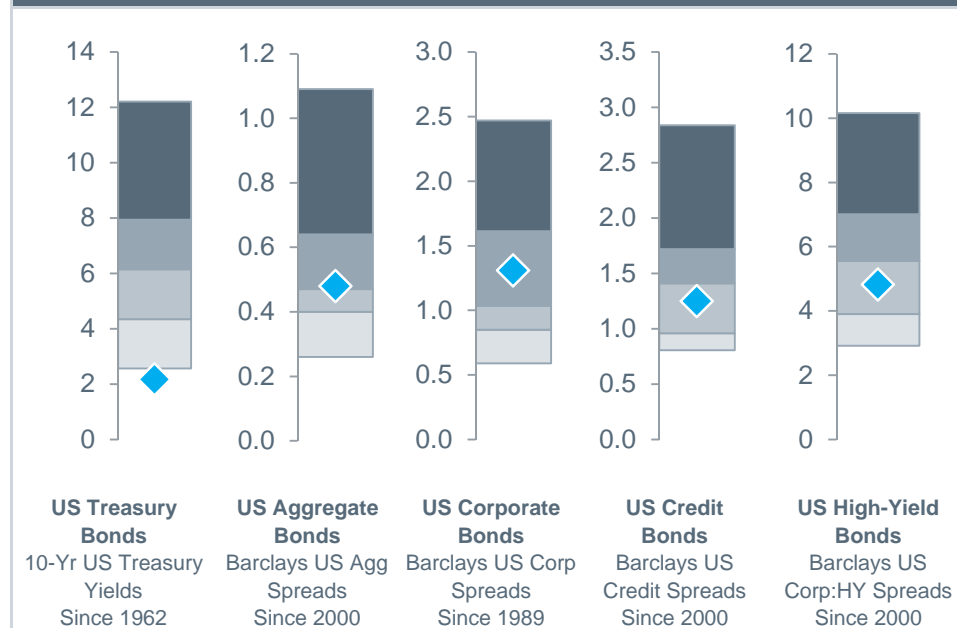
## US Treasury Market

Long duration treasuries outperformed intermediate duration by 765 basis points as the market favored duration and quality.

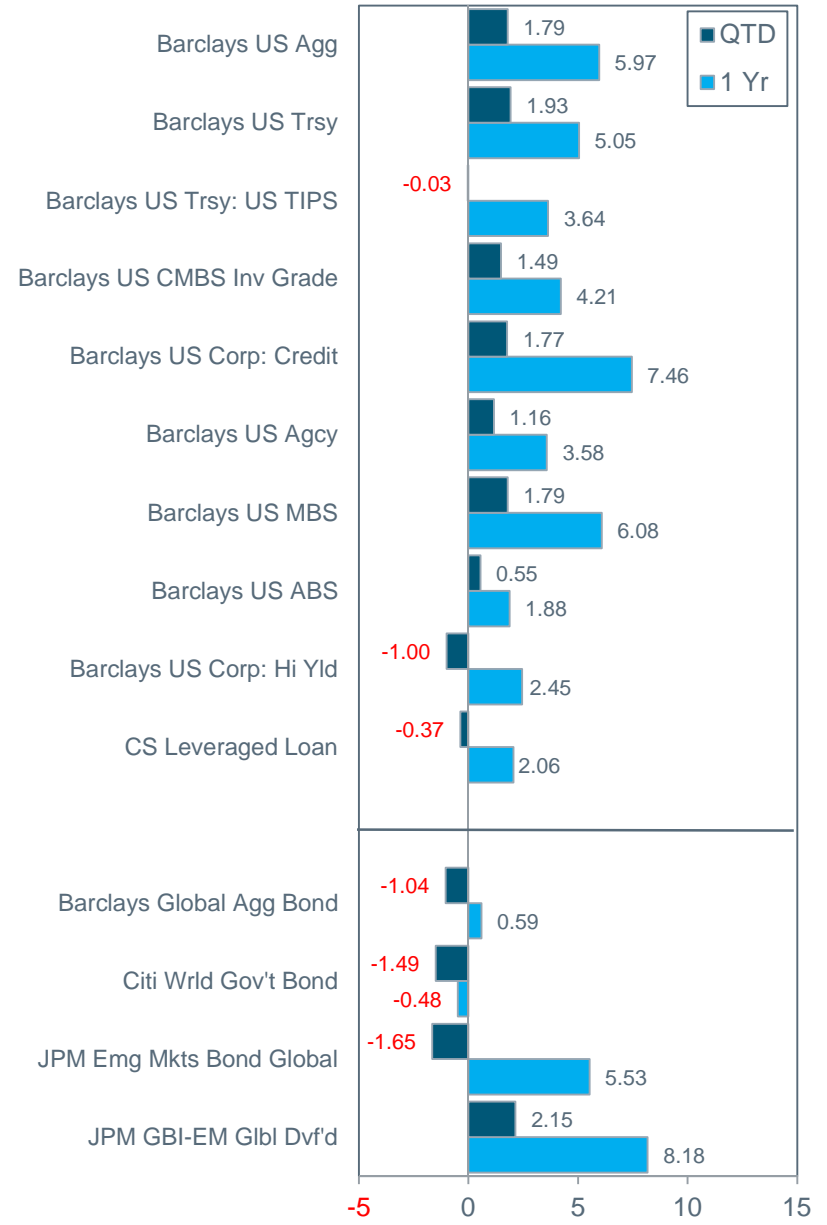
## Foreign Currency

As the U.S. dollar strengthened, exposure to foreign currency impacted returns. The hedged Barclays Global Aggregate Bond Index outperformed the unhedged version by 324 basis points in Q4 and 700 basis points for the year. Excluding currency effects, the government bonds of other developed countries performed similarly to U.S. Treasuries. However, emerging markets debt (EMD) underperformed due to the recent market bias toward quality. Local currency EMD has suffered doubly due to foreign currency exposure.

## Valuations



## Fixed Income Performance (%)



Valuation data courtesy of Bloomberg Professional Service.

Valuations shown represent the 5th through 95th percentiles to minimize the effect of outliers.

#### Fourth Quarter Review - Absolute Return

##### General Market - Hedge Funds

Funds with concentration in event-oriented themes suffered due to two developments in Q4. As such, hedge funds experienced larger than expected losses during the volatile, early half of October, and failed to rebound by quarter end. Generally, long/short equity funds maintained or added to long exposures during the October bottom, which helped these funds earn positive returns in November and December.

##### General Market - Global Tactical Asset Allocation (GTAA)

In the fourth quarter, GTAA managers with fewer benchmark constraints underperformed more-traditional asset allocations such as a static 60/40 portfolio. In all, 2014 was a difficult year for GTAA managers, as exposure to foreign developed and emerging market equities weighed on performance. Managers with valuation driven asset allocation processes continued to find attractive valuations in emerging and developed foreign equity markets relative to U.S. equities. However, strategies that maintain heavier U.S. equity and fixed income exposure have continued to outperform globally-oriented peers.

#### Fourth Quarter Review - Real Assets

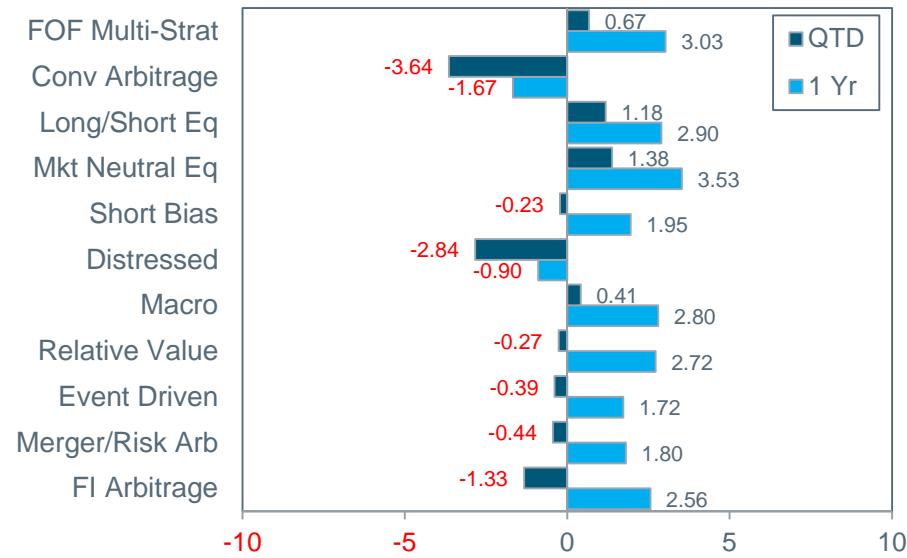
##### General Market - Diversified Inflation Strategies (DIS)

Few bright spots existed for diversified inflation strategies (DIS) in Q4 as inflation expectations continued to fall. The historic decrease in oil prices and commodities detracted significantly from the returns of many managers. The Goldman Sachs Commodities Index finished the year down 33.1%, losing 27.7% in the fourth quarter. Natural Resources equities depreciated over 10% after a second straight negative quarter.

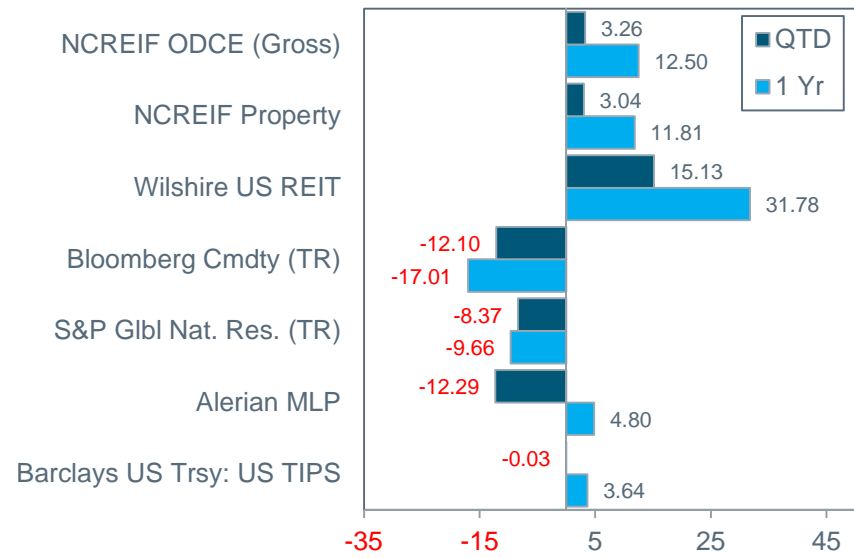
##### General Market - Real Estate

Performance in the U.S. Core Real Estate market capped off a strong year, as evidenced by a 3.3% preliminary total return in Q4 for the NCREIF-ODCE index, resulting in a 12.5% return for the year. Additionally, publicly-traded real estate securities bounced back in Q4. The U.S. commercial real estate market showed continued improvement with drops in vacancy rates occurring in the office, industrial, and retail sectors. Private real estate investment reached an all-time high in 2014 with \$742 billion in assets under management.

#### HFN Hedge Fund Performance (%)



#### Real Asset Performance (%)



## Annual Asset Class Performance

As of December 31, 2014

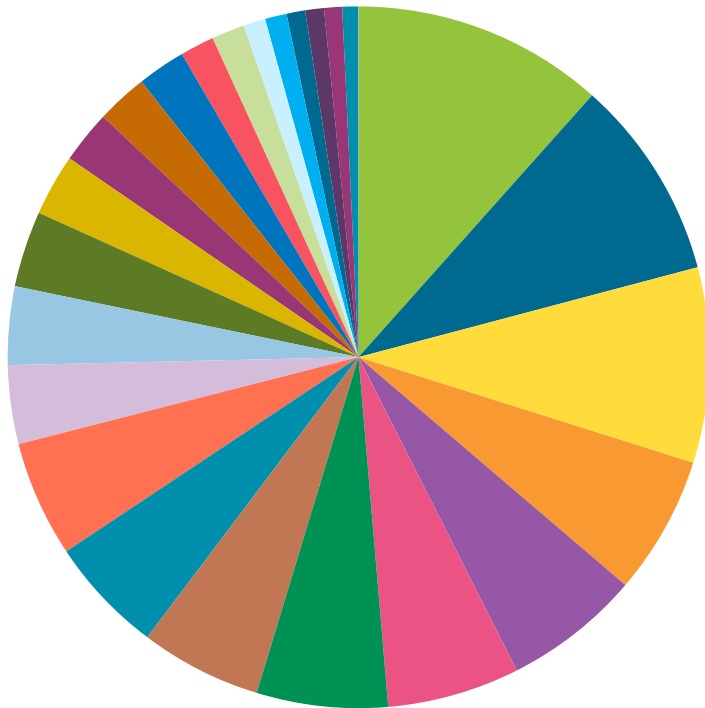
|       | 2000                   | 2001                  | 2002                         | 2003                          | 2004                           | 2005                      | 2006                            | 2007                           | 2008                             | 2009                              | 2010                     | 2011                            | 2012                           | 2013                             | 2014   |
|-------|------------------------|-----------------------|------------------------------|-------------------------------|--------------------------------|---------------------------|---------------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------------|---------------------------------|--------------------------------|----------------------------------|--------|
| Best  | 31.84                  | 12.35                 | 25.91                        | 61.34                         | 33.16                          | 34.00                     | 35.97                           | 39.38                          | 8.44                             | 78.51                             | 28.60                    | 22.49                           | 20.00                          | 38.82                            | 31.78  |
|       | 31.04                  | 8.44                  | 16.56                        | 55.81                         | 31.45                          | 26.19                     | 32.18                           | 16.23                          | 5.24                             | 58.21                             | 26.86                    | 15.99                           | 18.23                          | 32.39                            | 19.31  |
|       | 16.16                  | 7.89                  | 14.81                        | 47.25                         | 25.55                          | 21.39                     | 26.34                           | 15.97                          | 2.06                             | 46.78                             | 22.04                    | 13.56                           | 17.59                          | 29.30                            | 13.69  |
|       | 14.28                  | 7.28                  | 10.25                        | 38.59                         | 20.25                          | 21.36                     | 19.31                           | 11.63                          | -2.35                            | 31.78                             | 18.88                    | 9.24                            | 17.32                          | 22.78                            | 12.50  |
|       | 13.15                  | 6.61                  | 5.54                         | 36.18                         | 18.33                          | 13.82                     | 18.37                           | 11.17                          | -10.01                           | 28.60                             | 16.83                    | 7.84                            | 16.34                          | 13.94                            | 5.97   |
|       | 12.40                  | 5.64                  | 3.58                         | 28.97                         | 13.06                          | 13.54                     | 16.32                           | 9.91                           | -20.47                           | 27.18                             | 16.36                    | 4.98                            | 16.00                          | 9.10                             | 4.89   |
|       | 11.63                  | 5.28                  | 3.12                         | 28.68                         | 11.13                          | 6.75                      | 15.79                           | 6.97                           | -26.16                           | 26.46                             | 15.12                    | 2.11                            | 15.81                          | 7.44                             | 3.64   |
|       | 6.18                   | 4.42                  | 1.78                         | 23.93                         | 10.88                          | 5.33                      | 11.85                           | 6.60                           | -33.79                           | 18.91                             | 15.06                    | 0.10                            | 10.94                          | 1.86                             | 3.03   |
|       | -3.02                  | 2.49                  | -1.41                        | 11.93                         | 9.15                           | 4.91                      | 9.85                            | 5.49                           | -35.65                           | 11.41                             | 10.16                    | -4.18                           | 8.82                           | 0.07                             | 2.45   |
|       | -5.86                  | -2.62                 | -6.17                        | 9.28                          | 8.56                           | 4.55                      | 4.85                            | 5.00                           | -37.00                           | 9.72                              | 7.75                     | -5.55                           | 6.98                           | -2.02                            | 0.04   |
|       | -7.56                  | -11.89                | -7.83                        | 8.39                          | 8.46                           | 3.07                      | 4.33                            | 1.87                           | -39.20                           | 5.93                              | 6.54                     | -12.14                          | 4.80                           | -2.60                            | -2.19  |
|       | -9.10                  | -12.53                | -15.94                       | 5.87                          | 6.79                           | 2.84                      | 2.71                            | 1.45                           | -43.38                           | 1.92                              | 6.31                     | -13.32                          | 4.21                           | -8.61                            | -4.90  |
|       | -14.17                 | -19.51                | -20.48                       | 4.10                          | 4.34                           | 2.74                      | 2.07                            | -1.57                          | -47.01                           | 0.21                              | 4.77                     | -15.94                          | 0.11                           | -8.83                            | -4.95  |
| Worst | -30.83                 | -21.44                | -22.10                       | 1.15                          | 1.33                           | 2.43                      | 0.41                            | -17.55                         | -53.33                           | -29.76                            | 0.13                     | -18.42                          | -1.06                          | -9.52                            | -17.01 |
|       | S&P 500 - US Large Cap | R 2000 - US Small Cap | MSCI EAFE (Net) - Int'l Dev. | MSCI EAFE SC (Net) - Int'l SC | MSCI EM (Net) - Int'l Emg Mkts | Barclays US Agg Bond - FI | Barclays US Corp: Hi Yield - FI | Barclays US Trsy: US TIPS - FI | Barclays US Gov/Credit: Lng - FI | NCREIF ODCE (Gross) - Real Estate | Wilshire US REIT - REITs | HFN FOF Multi-Strat (Net) - ARS | Bloomberg Cmdty (TR) - Commod. | BofA ML 3 Mo T-Bill - Cash Equiv |        |

Performance shown for HFN FOF Multi-Strat (Net) is preliminary and subject to change.

Water and Power Employees' Retirement Plan  
Asset Allocation By Manager - Retirement

As of December 31, 2014

December 31, 2014 : \$9,750,419,661



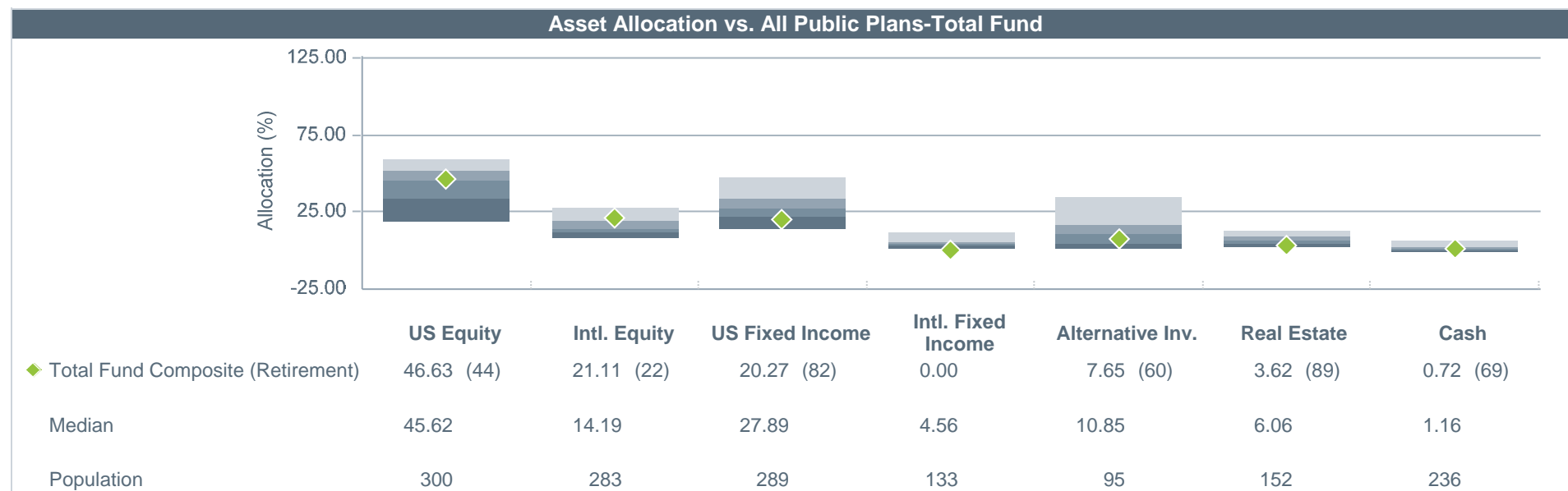
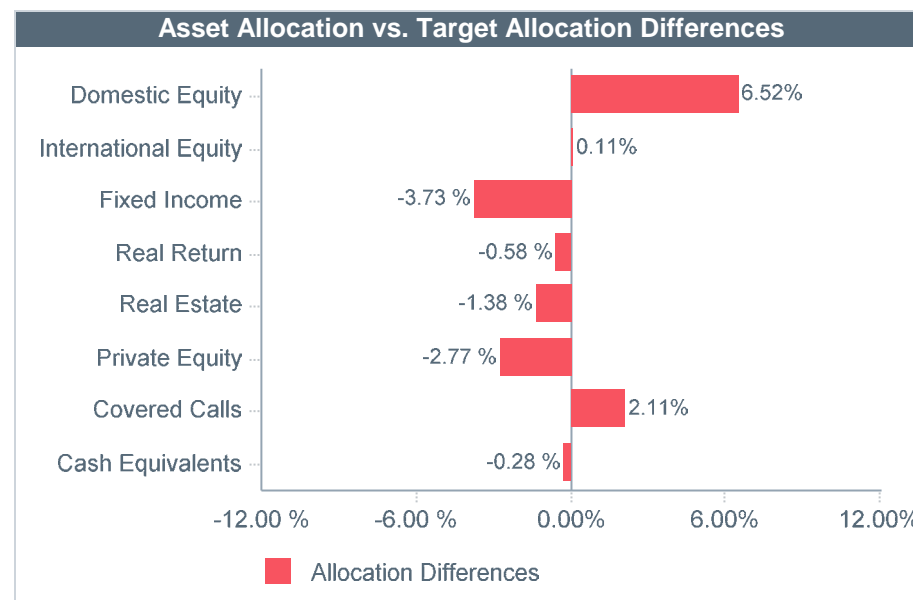
|  | Market Value<br>(\$) | Allocation<br>(%) |
|--|----------------------|-------------------|
| BlackRock Russell 1000 Index (CF)        | 1,130,823,484        | 11.60             |
| Wells Core (SA)                          | 904,750,417          | 9.28              |
| JP Morgan Core (SA)                      | 875,472,757          | 8.98              |
| Fred Alger Large Cap Growth (SA)         | 623,405,750          | 6.39              |
| T. Rowe Price Large Cap Growth (SA)      | 614,052,714          | 6.30              |
| T. Rowe Price Large Cap Value (SA)       | 595,593,847          | 6.11              |
| MFS Large Cap Value (SA)                 | 588,903,186          | 6.04              |
| MFS Developed Int'l (SA)                 | 545,529,602          | 5.59              |
| BlackRock Developed Int'l - Passive (CF) | 524,486,312          | 5.38              |
| Pyramis (SA)                             | 521,395,044          | 5.35              |
| Real Estate Composite                    | 353,137,480          | 3.62              |
| Gateway - Active (SA)                    | 351,262,909          | 3.60              |
| Gateway - Passive (SA)                   | 341,987,466          | 3.51              |
| WAMCO (SA)                               | 277,317,785          | 2.84              |
| Vontobel Emerging (SA)                   | 236,362,288          | 2.42              |
| LA Capital Emerging (CF)                 | 230,334,493          | 2.36              |
| Private Equity Composite                 | 217,194,757          | 2.23              |
| Earnest Partners Small Cap Value (SA)    | 152,128,806          | 1.56              |
| Frontier Small Cap Growth (SA)           | 148,223,060          | 1.52              |
| Loomis High Yield (SA)                   | 100,027,552          | 1.03              |
| Wells High Yield (SA)                    | 96,432,059           | 0.99              |
| GAM Divergent (CF) (Lagged-1 Mo)         | 84,224,000           | 0.86              |
| Invesco Commodity (CF)                   | 84,122,581           | 0.86              |
| Morgan Stanley AIP (CF) (Lagged-1 Mo)    | 80,531,437           | 0.83              |
| Cash Equivalents                         | 70,284,378           | 0.72              |
| Hancock Timberland (CF) (Lagged-1 Mo)    | 2,435,500            | 0.02              |

Allocations shown may not sum up to 100% exactly due to rounding.

**Water and Power Employees' Retirement Plan**  
**Total Fund Composite (Retirement) vs. All Public Plans-Total Fund**  
**Asset Allocation vs. Target and Plan Sponsor Peer Group - Retirement**

As of December 31, 2014

| Asset Allocation vs. Target Allocation |                   |                |            |
|--|-------------------|----------------|------------|
|  | Market Value (\$) | Allocation (%) | Target (%) |
| Domestic Equity                        | 3,853,130,846     | 39.52          | 33.00      |
| International Equity                   | 2,058,107,738     | 21.11          | 21.00      |
| Fixed Income                           | 1,976,682,785     | 20.27          | 24.00      |
| Real Return                            | 528,631,302       | 5.42           | 6.00       |
| Real Estate                            | 353,137,480       | 3.62           | 5.00       |
| Private Equity                         | 217,194,757       | 2.23           | 5.00       |
| Covered Calls                          | 693,250,375       | 7.11           | 5.00       |
| Cash Equivalents                       | 70,284,378        | 0.72           | 1.00       |
| Total Fund                             | 9,750,419,661     | 100.00         | 100.00     |



Parentheses contain percentile ranks. Allocations shown may not sum up to 100% exactly due to rounding.



**Water and Power Employees' Retirement Plan  
Comparative Performance - Retirement**

**As of December 31, 2014**

|  | QTD         | 1<br>Year    | 3<br>Years   | 5<br>Years   | 7<br>Years  | 10<br>Years | 2013         | 2012         | 2011         | Since<br>Incep. | Inception<br>Date |
|--|-------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|-----------------|-------------------|
| <b>Total Fund Composite (Retirement)</b>       | <b>2.16</b> | <b>6.86</b>  | <b>12.11</b> | <b>9.57</b>  | <b>5.26</b> | <b>6.52</b> | <b>17.72</b> | <b>12.01</b> | <b>0.28</b>  | <b>6.52</b>     | <b>01/01/2005</b> |
| Retirement Policy Benchmark                    | 1.36        | 6.75         | 11.54        | 9.65         | 5.19        | 6.34        | 16.00        | 12.06        | 1.73         | 6.34            |                   |
| Difference                                     | 0.80        | 0.11         | 0.57         | -0.08        | 0.07        | 0.18        | 1.72         | -0.05        | -1.45        | 0.18            |                   |
| All Public Plans-Total Fund Median             | 2.26        | 6.63         | 12.13        | 9.88         | 5.58        | 6.58        | 17.22        | 12.73        | 0.31         | 6.58            |                   |
| Rank   | 54          | 44           | 51           | 63           | 68          | 52          | 44           | 67           | 51           | 52              |                   |
| <b>Domestic Equity Composite</b>               | <b>5.20</b> | <b>11.82</b> | <b>21.46</b> | <b>15.58</b> | <b>7.40</b> | <b>8.21</b> | <b>36.97</b> | <b>17.00</b> | <b>-0.73</b> | <b>7.21</b>     | <b>04/01/2001</b> |
| Russell 3000 (Blended) (R)                     | 5.24        | 12.55        | 20.51        | 15.63        | 7.54        | 7.94        | 33.55        | 16.42        | 1.03         | 6.74            |                   |
| Difference                                     | -0.04       | -0.73        | 0.95         | -0.05        | -0.14       | 0.27        | 3.42         | 0.58         | -1.76        | 0.47            |                   |
| All Public Plans-US Equity Segment Median      | 5.27        | 11.41        | 20.15        | 15.64        | 7.35        | 7.83        | 34.03        | 16.52        | 0.52         | 6.99            |                   |
| Rank   | 54          | 36           | 8            | 53           | 44          | 27          | 7            | 33           | 72           | 38              |                   |
| <b>MFS Large Cap Value (SA)</b>                | <b>6.20</b> | <b>11.86</b> | <b>21.21</b> | <b>15.11</b> | <b>7.60</b> | <b>9.14</b> | <b>36.41</b> | <b>16.69</b> | <b>0.76</b>  | <b>9.57</b>     | <b>03/01/2004</b> |
| R 1000 Value Index                             | 4.98        | 13.45        | 20.89        | 15.42        | 6.45        | 7.30        | 32.53        | 17.50        | 0.39         | 7.85            |                   |
| Difference                                     | 1.22        | -1.59        | 0.32         | -0.31        | 1.15        | 1.84        | 3.88         | -0.81        | 0.37         | 1.72            |                   |
| IM U.S. Large Cap Value Equity (SA+CF) Median  | 4.47        | 12.12        | 20.35        | 15.25        | 7.49        | 8.39        | 34.32        | 15.75        | 0.47         | 8.85            |                   |
| Rank   | 15          | 55           | 38           | 54           | 47          | 28          | 35           | 40           | 47           | 26              |                   |
| <b>T. Rowe Price Large Cap Value (SA)</b>      | <b>4.91</b> | <b>13.43</b> | <b>21.94</b> | <b>15.94</b> | <b>8.13</b> | <b>8.74</b> | <b>35.32</b> | <b>18.13</b> | <b>0.54</b>  | <b>9.43</b>     | <b>10/01/2004</b> |
| R 1000 Value Index                             | 4.98        | 13.45        | 20.89        | 15.42        | 6.45        | 7.30        | 32.53        | 17.50        | 0.39         | 8.15            |                   |
| Difference                                     | -0.07       | -0.02        | 1.05         | 0.52         | 1.68        | 1.44        | 2.79         | 0.63         | 0.15         | 1.28            |                   |
| IM U.S. Large Cap Value Equity (SA+CF) Median  | 4.47        | 12.12        | 20.35        | 15.25        | 7.49        | 8.39        | 34.32        | 15.75        | 0.47         | 9.26            |                   |
| Rank   | 39          | 34           | 31           | 35           | 34          | 41          | 44           | 26           | 50           | 43              |                   |
| <b>BlackRock Russell 1000 Index (CF)</b>       | <b>4.89</b> | <b>13.27</b> | <b>20.68</b> | <b>15.65</b> | <b>7.50</b> | <b>8.01</b> | <b>33.16</b> | <b>16.51</b> | <b>1.32</b>  | <b>9.09</b>     | <b>09/01/2003</b> |
| R 1000 Index                                   | 4.88        | 13.24        | 20.62        | 15.64        | 7.49        | 7.96        | 33.11        | 16.43        | 1.50         | 9.03            |                   |
| Difference                                     | 0.01        | 0.03         | 0.06         | 0.01         | 0.01        | 0.05        | 0.05         | 0.08         | -0.18        | 0.06            |                   |
| IM U.S. Large Cap Core Equity (SA+CF) Median   | 5.11        | 13.45        | 20.69        | 15.53        | 7.79        | 8.42        | 33.42        | 15.66        | 1.93         | 9.55            |                   |
| Rank   | 58          | 53           | 51           | 48           | 61          | 71          | 54           | 40           | 58           | 69              |                   |
| <b>Fred Alger Large Cap Growth (SA)</b>        | <b>3.24</b> | <b>11.75</b> | <b>20.94</b> | <b>15.21</b> | <b>6.87</b> | <b>9.45</b> | <b>37.29</b> | <b>15.31</b> | <b>-4.13</b> | <b>9.20</b>     | <b>03/01/2004</b> |
| R 1000 Growth Index                            | 4.78        | 13.05        | 20.26        | 15.81        | 8.41        | 8.49        | 33.48        | 15.26        | 2.64         | 8.16            |                   |
| Difference                                     | -1.54       | -1.30        | 0.68         | -0.60        | -1.54       | 0.96        | 3.81         | 0.05         | -6.77        | 1.04            |                   |
| IM U.S. Large Cap Growth Equity (SA+CF) Median | 5.11        | 12.05        | 20.56        | 15.28        | 7.96        | 8.58        | 34.62        | 15.19        | 0.08         | 8.61            |                   |
| Rank   | 84          | 55           | 43           | 53           | 74          | 27          | 27           | 49           | 83           | 30              |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

**Water and Power Employees' Retirement Plan**  
**Comparative Performance - Retirement**

**As of December 31, 2014**

|  | QTD          | 1<br>Year    | 3<br>Years   | 5<br>Years   | 7<br>Years  | 10<br>Years | 2013         | 2012         | 2011          | Since<br>Incep. | Inception<br>Date |
|--|--------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|---------------|-----------------|-------------------|
| <b>T. Rowe Price Large Cap Growth (SA)</b>               | <b>4.54</b>  | <b>9.31</b>  | <b>23.72</b> | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>44.58</b> | <b>19.84</b> | <b>-2.03</b>  | <b>15.12</b>    | <b>04/01/2010</b> |
| R 1000 Growth Index                                      | 4.78         | 13.05        | 20.26        | 15.81        | 8.41        | 8.49        | 33.48        | 15.26        | 2.64          | 15.60           |                   |
| Difference   | -0.24        | -3.74        | 3.46         | N/A          | N/A         | N/A         | 11.10        | 4.58         | -4.67         | -0.48           |                   |
| IM U.S. Large Cap Growth Equity (SA+CF) Median           | 5.11         | 12.05        | 20.56        | 15.28        | 7.96        | 8.58        | 34.62        | 15.19        | 0.08          | 15.13           |                   |
| Rank   | 64           | 78           | 10           | N/A          | N/A         | N/A         | 6            | 14           | 67            | 51              |                   |
| <b>Earnest Partners Small Cap Value (SA)</b>             | <b>10.56</b> | <b>11.11</b> | <b>20.23</b> | <b>16.67</b> | <b>9.07</b> | <b>8.45</b> | <b>35.47</b> | <b>15.46</b> | <b>2.57</b>   | <b>8.76</b>     | <b>12/01/2004</b> |
| R 2000 Value Index                                       | 9.40         | 4.22         | 18.29        | 14.26        | 7.59        | 6.89        | 34.52        | 18.05        | -5.50         | 7.08            |                   |
| Difference   | 1.16         | 6.89         | 1.94         | 2.41         | 1.48        | 1.56        | 0.95         | -2.59        | 8.07          | 1.68            |                   |
| IM U.S. Small Cap Value Equity (SA+CF) Median            | 7.73         | 5.34         | 19.84        | 16.29        | 9.88        | 9.25        | 38.74        | 17.49        | -3.27         | 9.58            |                   |
| Rank   | 10           | 5            | 45           | 41           | 65          | 74          | 73           | 68           | 13            | 73              |                   |
| <b>Frontier Small Cap Growth (SA)</b>                    | <b>10.92</b> | <b>6.04</b>  | <b>19.75</b> | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>41.34</b> | <b>14.59</b> | <b>-6.77</b>  | <b>14.27</b>    | <b>05/01/2010</b> |
| R 2000 Growth Index                                      | 10.06        | 5.60         | 20.14        | 16.79        | 8.73        | 8.54        | 43.30        | 14.59        | -2.91         | 15.24           |                   |
| Difference   | 0.86         | 0.44         | -0.39        | N/A          | N/A         | N/A         | -1.96        | 0.00         | -3.86         | -0.97           |                   |
| IM U.S. Small Cap Growth Equity (SA+CF) Median           | 8.64         | 3.87         | 20.22        | 17.61        | 8.91        | 9.59        | 46.64        | 14.76        | -1.68         | 15.97           |                   |
| Rank   | 15           | 32           | 61           | N/A          | N/A         | N/A         | 82           | 52           | 79            | 77              |                   |
| <b>International Equity Composite</b>                    | <b>-1.75</b> | <b>-1.15</b> | <b>10.31</b> | <b>4.79</b>  | <b>0.41</b> | <b>5.11</b> | <b>19.16</b> | <b>13.94</b> | <b>-14.24</b> | <b>6.10</b>     | <b>07/01/2004</b> |
| MSCI ACW Ex US IMI (Blended)                             | -3.88        | -3.89        | 9.22         | 4.71         | -0.22       | 5.43        | 15.82        | 17.04        | -14.31        | 6.70            |                   |
| Difference   | 2.13         | 2.74         | 1.09         | 0.08         | 0.63        | -0.32       | 3.34         | -3.10        | 0.07          | -0.60           |                   |
| All Public Plans-Intl. Equity Segment Median             | -3.03        | -3.00        | 10.93        | 6.12         | 0.39        | 5.92        | 18.47        | 18.80        | -12.65        | 7.23            |                   |
| Rank   | 17           | 23           | 67           | 82           | 50          | 75          | 43           | 99           | 82            | 83              |                   |
| <b>BlackRock Developed Int'l - Passive (CF)</b>          | <b>-3.59</b> | <b>-4.13</b> | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>21.90</b> | <b>N/A</b>   | <b>N/A</b>    | <b>9.91</b>     | <b>10/01/2012</b> |
| MSCI World Ex US IMI Index (Net)                         | -3.65        | -4.45        | 10.62        | 5.52         | -0.12       | 4.88        | 21.57        | 16.55        | -12.66        | 9.59            |                   |
| Difference   | 0.06         | 0.32         | N/A          | N/A          | N/A         | N/A         | 0.33         | N/A          | N/A           | 0.32            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25         | 1.44        | 6.25        | 23.86        | 19.59        | -11.99        | 10.78           |                   |
| Rank   | 69           | 60           | N/A          | N/A          | N/A         | N/A         | 62           | N/A          | N/A           | 64              |                   |
| <b>MFS Developed Int'l (SA)</b>                          | <b>0.11</b>  | <b>1.31</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>31.52</b> | <b>N/A</b>   | <b>N/A</b>    | <b>16.20</b>    | <b>08/01/2012</b> |
| MSCI World Ex US IMI Index (Net)                         | -3.65        | -4.45        | 10.62        | 5.52         | -0.12       | 4.88        | 21.57        | 16.55        | -12.66        | 11.64           |                   |
| Difference   | 3.76         | 5.76         | N/A          | N/A          | N/A         | N/A         | 9.95         | N/A          | N/A           | 4.56            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25         | 1.44        | 6.25        | 23.86        | 19.59        | -11.99        | 12.64           |                   |
| Rank   | 12           | 15           | N/A          | N/A          | N/A         | N/A         | 15           | N/A          | N/A           | 20              |                   |

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**Water and Power Employees' Retirement Plan  
Comparative Performance - Retirement**

**As of December 31, 2014**

|  | QTD          | 1<br>Year    | 3<br>Years   | 5<br>Years  | 7<br>Years  | 10<br>Years | 2013         | 2012         | 2011          | Since<br>Incep. | Inception<br>Date |
|--|--------------|--------------|--------------|-------------|-------------|-------------|--------------|--------------|---------------|-----------------|-------------------|
| <b>Pyramis (SA)</b>                                      | <b>-3.13</b> | <b>-5.94</b> | <b>11.94</b> | <b>6.89</b> | <b>0.95</b> | <b>5.77</b> | <b>26.02</b> | <b>18.35</b> | <b>-11.19</b> | <b>6.17</b>     | <b>12/01/2004</b> |
| International Developed Blend                            | -3.65        | -4.45        | 10.62        | 5.52        | 0.46        | 4.59        | 21.57        | 16.55        | -12.66        | 4.89            |                   |
| Difference   | 0.52         | -1.49        | 1.32         | 1.37        | 0.49        | 1.18        | 4.45         | 1.80         | 1.47          | 1.28            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25        | 1.44        | 6.25        | 23.86        | 19.59        | -11.99        | 6.67            |                   |
| Rank   | 59           | 81           | 56           | 56          | 58          | 63          | 37           | 62           | 42            | 62              |                   |
| <b>LA Capital Emerging (CF)</b>                          | <b>2.16</b>  | <b>3.89</b>  | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-1.67</b> | <b>N/A</b>   | <b>N/A</b>    | <b>3.83</b>     | <b>10/01/2012</b> |
| MSCI Emg Mkts Investable Mkt Index (Net)                 | -4.70        | -1.79        | 4.47         | 1.93        | -1.07       | 8.62        | -2.20        | 18.69        | -19.49        | 0.60            |                   |
| Difference   | 6.86         | 5.68         | N/A          | N/A         | N/A         | N/A         | 0.53         | N/A          | N/A           | 3.23            |                   |
| IM Emerging Markets Equity (SA+CF) Median                | -4.14        | -0.27        | 6.39         | 3.51        | -0.06       | 9.67        | 0.52         | 20.53        | -18.44        | 2.72            |                   |
| Rank   | 2            | 19           | N/A          | N/A         | N/A         | N/A         | 66           | N/A          | N/A           | 37              |                   |
| <b>Vontobel Emerging (SA)</b>                            | <b>-2.34</b> | <b>7.22</b>  | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-5.23</b> | <b>N/A</b>   | <b>N/A</b>    | <b>0.81</b>     | <b>01/01/2013</b> |
| MSCI Emg Mkts Investable Mkt Index (Net)                 | -4.70        | -1.79        | 4.47         | 1.93        | -1.07       | 8.62        | -2.20        | 18.69        | -19.49        | -1.99           |                   |
| Difference   | 2.36         | 9.01         | N/A          | N/A         | N/A         | N/A         | -3.03        | N/A          | N/A           | 2.80            |                   |
| IM Emerging Markets Equity (SA+CF) Median                | -4.14        | -0.27        | 6.39         | 3.51        | -0.06       | 9.67        | 0.52         | 20.53        | -18.44        | -0.16           |                   |
| Rank   | 24           | 8            | N/A          | N/A         | N/A         | N/A         | 89           | N/A          | N/A           | 42              |                   |
| <b>Fixed Income Composite</b>                            | <b>1.60</b>  | <b>6.05</b>  | <b>4.23</b>  | <b>5.88</b> | <b>5.80</b> | <b>5.53</b> | <b>-0.68</b> | <b>7.52</b>  | <b>7.91</b>   | <b>5.84</b>     | <b>04/01/2001</b> |
| Barclays US Unv Bond Index                               | 1.34         | 5.56         | 3.20         | 4.81        | 4.99        | 4.91        | -1.35        | 5.53         | 7.40          | 5.42            |                   |
| Difference   | 0.26         | 0.49         | 1.03         | 1.07        | 0.81        | 0.62        | 0.67         | 1.99         | 0.51          | 0.42            |                   |
| All Public Plans-US Fixed Income Segment Median          | 1.16         | 5.74         | 4.10         | 5.91        | 5.47        | 5.13        | -1.35        | 7.23         | 7.74          | 5.69            |                   |
| Rank   | 22           | 41           | 47           | 51          | 38          | 35          | 36           | 47           | 42            | 42              |                   |
| <b>JP Morgan Core (SA)</b>                               | <b>1.61</b>  | <b>5.89</b>  | <b>3.38</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-1.40</b> | <b>5.83</b>  | <b>7.66</b>   | <b>4.76</b>     | <b>05/01/2010</b> |
| Barclays US Agg Bond Index                               | 1.79         | 5.97         | 2.66         | 4.45        | 4.77        | 4.71        | -2.02        | 4.21         | 7.84          | 4.15            |                   |
| Difference   | -0.18        | -0.08        | 0.72         | N/A         | N/A         | N/A         | 0.62         | 1.62         | -0.18         | 0.61            |                   |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median    | 1.71         | 6.15         | 3.34         | 5.07        | 5.32        | 5.11        | -1.56        | 5.73         | 7.84          | 4.64            |                   |
| Rank   | 64           | 71           | 49           | N/A         | N/A         | N/A         | 40           | 50           | 60            | 40              |                   |
| <b>Wells Core (SA)</b>                                   | <b>1.92</b>  | <b>6.32</b>  | <b>3.64</b>  | <b>5.54</b> | <b>6.26</b> | <b>5.83</b> | <b>-1.81</b> | <b>6.64</b>  | <b>9.08</b>   | <b>5.90</b>     | <b>08/01/2004</b> |
| Barclays US Agg Bond Index                               | 1.79         | 5.97         | 2.66         | 4.45        | 4.77        | 4.71        | -2.02        | 4.21         | 7.84          | 4.83            |                   |
| Difference   | 0.13         | 0.35         | 0.98         | 1.09        | 1.49        | 1.12        | 0.21         | 2.43         | 1.24          | 1.07            |                   |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median    | 1.71         | 6.15         | 3.34         | 5.07        | 5.32        | 5.11        | -1.56        | 5.73         | 7.84          | 5.22            |                   |
| Rank   | 12           | 36           | 35           | 25          | 6           | 7           | 65           | 30           | 5             | 8               |                   |

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**Water and Power Employees' Retirement Plan  
Comparative Performance - Retirement**

**As of December 31, 2014**

|   | QTD          | 1<br>Year     | 3<br>Years   | 5<br>Years   | 7<br>Years   | 10<br>Years | 2013         | 2012         | 2011         | Since<br>Incep. | Inception<br>Date |
|---|--------------|---------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|-----------------|-------------------|
| <b>Loomis High Yield (SA)</b>                   | <b>-0.04</b> | <b>6.30</b>   | <b>11.95</b> | <b>11.05</b> | <b>10.01</b> | <b>N/A</b>  | <b>7.50</b>  | <b>22.77</b> | <b>2.08</b>  | <b>9.40</b>     | <b>04/01/2005</b> |
| Barclays US Hi Yld - 2% Issuer Cap Index        | -1.00        | 2.46          | 8.42         | 8.98         | 8.84         | 7.73        | 7.44         | 15.78        | 4.96         | 8.12            |                   |
| Difference                                      | 0.96         | 3.84          | 3.53         | 2.07         | 1.17         | N/A         | 0.06         | 6.99         | -2.88        | 1.28            |                   |
| IM U.S. High Yield Bonds (SA+CF) Median         | -0.83        | 2.80          | 8.48         | 9.15         | 8.37         | 7.64        | 7.57         | 15.37        | 5.26         | 8.00            |                   |
| Rank  | 23           | 3             | 4            | 5            | 6            | N/A         | 51           | 3            | 90           | 7               |                   |
| <b>Wells High Yield (SA)</b>                    | <b>0.24</b>  | <b>4.69</b>   | <b>7.84</b>  | <b>8.40</b>  | <b>8.19</b>  | <b>7.44</b> | <b>5.84</b>  | <b>13.16</b> | <b>5.55</b>  | <b>7.40</b>     | <b>12/01/2004</b> |
| Barclays US Hi Yld - 2% Issuer Cap Index        | -1.00        | 2.46          | 8.42         | 8.98         | 8.84         | 7.73        | 7.44         | 15.78        | 4.96         | 7.82            |                   |
| Difference                                      | 1.24         | 2.23          | -0.58        | -0.58        | -0.65        | -0.29       | -1.60        | -2.62        | 0.59         | -0.42           |                   |
| IM U.S. High Yield Bonds (SA+CF) Median         | -0.83        | 2.80          | 8.48         | 9.15         | 8.37         | 7.64        | 7.57         | 15.37        | 5.26         | 7.71            |                   |
| Rank  | 19           | 13            | 66           | 79           | 58           | 59          | 86           | 81           | 45           | 66              |                   |
| <b>Real Return Composite</b>                    | <b>0.02</b>  | <b>2.21</b>   | <b>0.89</b>  | <b>3.40</b>  | <b>1.53</b>  | <b>N/A</b>  | <b>-4.88</b> | <b>5.62</b>  | <b>9.97</b>  | <b>2.54</b>     | <b>02/01/2007</b> |
| CPI + 3% (Blended)                              | 0.17         | 3.70          | 3.60         | 3.40         | 3.62         | 4.75        | 3.98         | 3.11         | 3.11         | 4.13            |                   |
| Difference                                      | -0.15        | -1.49         | -2.71        | 0.00         | -2.09        | N/A         | -8.86        | 2.51         | 6.86         | -1.59           |                   |
| <b>GAM Divergent (CF) (Lagged-1 Mo)</b>         | <b>3.04</b>  | <b>5.28</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>4.86</b>     | <b>12/01/2013</b> |
| BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo) | 0.75         | 3.05          | 3.07         | 3.09         | 3.44         | 4.61        | 3.08         | 3.10         | 3.13         | 3.05            |                   |
| Difference                                      | 2.29         | 2.23          | N/A          | N/A          | N/A          | N/A         | N/A          | N/A          | N/A          | 1.81            |                   |
| <b>Morgan Stanley AIP (CF) (Lagged-1 Mo)</b>    | <b>-0.71</b> | <b>N/A</b>    | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>0.66</b>     | <b>03/01/2014</b> |
| BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo) | 0.75         | 3.05          | 3.07         | 3.09         | 3.44         | 4.61        | 3.08         | 3.10         | 3.13         | 2.52            |                   |
| Difference                                      | -1.46        | N/A           | N/A          | N/A          | N/A          | N/A         | N/A          | N/A          | N/A          | -1.86           |                   |
| <b>Invesco Commodity (CF)</b>                   | <b>-7.39</b> | <b>-15.29</b> | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>-15.78</b>   | <b>09/01/2013</b> |
| Bloomberg Cmdty Index (TR)                      | -12.10       | -17.01        | -9.43        | -5.53        | -7.59        | -1.86       | -9.52        | -1.06        | -13.32       | -15.39          |                   |
| Difference                                      | 4.71         | 1.72          | N/A          | N/A          | N/A          | N/A         | N/A          | N/A          | N/A          | -0.39           |                   |
| <b>Hancock Timberland (CF) (Lagged-1 Mo)</b>    | <b>-1.88</b> | <b>N/A</b>    | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>-1.88</b>    | <b>04/01/2014</b> |
| NCREIF Timberland Index (Lagged-1 Mo)           | 1.47         | 10.40         | 7.38         | 3.58         | 5.19         | 8.29        | 9.68         | 2.25         | 0.26         | 4.23            |                   |
| Difference                                      | -3.35        | N/A           | N/A          | N/A          | N/A          | N/A         | N/A          | N/A          | N/A          | -6.11           |                   |
| <b>Molpus IV (CF) (Lagged-1 Mo)</b>             | <b>N/A</b>   | <b>N/A</b>    | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>      | <b>09/01/2014</b> |
| NCREIF Timberland Index (Lagged-1 Mo)           | 1.47         | 10.40         | 7.38         | 3.58         | 5.19         | 8.29        | 9.68         | 2.25         | 0.26         | 1.47            |                   |
| Difference                                      | N/A          | N/A           | N/A          | N/A          | N/A          | N/A         | N/A          | N/A          | N/A          | N/A             |                   |
| <b>WAMCO (SA)</b>                               | <b>1.82</b>  | <b>8.75</b>   | <b>2.68</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>  | <b>-5.64</b> | <b>5.48</b>  | <b>11.00</b> | <b>4.34</b>     | <b>05/01/2010</b> |
| Barclays Wrlld Gov Infl-Lnkd Index (Hedged)     | 2.59         | 9.04          | 2.85         | 4.96         | 4.85         | 4.89        | -5.51        | 5.60         | 11.08        | 4.77            |                   |
| Difference                                      | -0.77        | -0.29         | -0.17        | N/A          | N/A          | N/A         | -0.13        | -0.12        | -0.08        | -0.43           |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

**Water and Power Employees' Retirement Plan  
Comparative Performance - Retirement**

**As of December 31, 2014**

|                                | QTD          | 1<br>Year   | 3<br>Years | 5<br>Years | 7<br>Years | 10<br>Years | 2013         | 2012       | 2011       | Since<br>Incep. | Inception<br>Date |
|--------------------------------|--------------|-------------|------------|------------|------------|-------------|--------------|------------|------------|-----------------|-------------------|
| <b>Covered Calls Composite</b> | <b>0.18</b>  | <b>6.60</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>13.70</b> | <b>N/A</b> | <b>N/A</b> | <b>9.61</b>     | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | 1.00         | 0.96        | N/A        | N/A        | N/A        | N/A         | 0.44         | N/A        | N/A        | 0.75            |                   |
| <b>Gateway - Passive (SA)</b>  | <b>-0.87</b> | <b>5.36</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>13.44</b> | <b>N/A</b> | <b>N/A</b> | <b>8.76</b>     | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | -0.05        | -0.28       | N/A        | N/A        | N/A        | N/A         | 0.18         | N/A        | N/A        | -0.10           |                   |
| <b>Gateway - Active (SA)</b>   | <b>1.21</b>  | <b>7.82</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>14.78</b> | <b>N/A</b> | <b>N/A</b> | <b>11.52</b>    | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | 2.03         | 2.18        | N/A        | N/A        | N/A        | N/A         | 1.52         | N/A        | N/A        | 2.66            |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

**Water and Power Employees' Retirement Plan**  
**Alternative Investment Fund Performance Listing - Retirement**

**As of December 31, 2014**

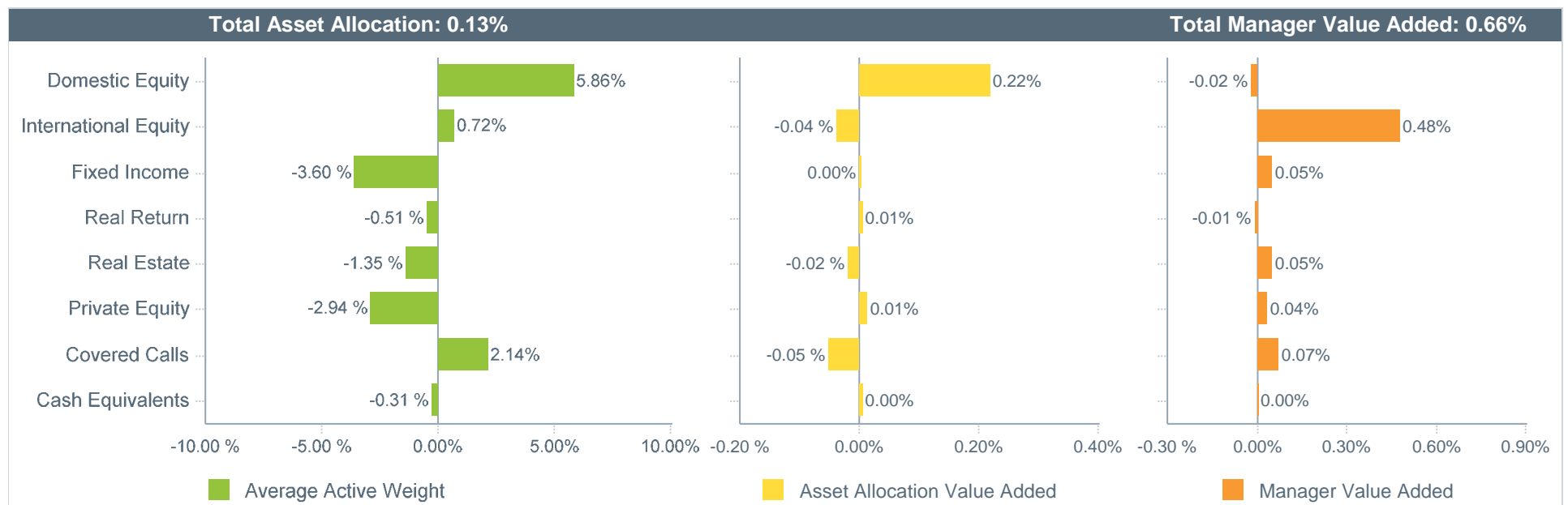
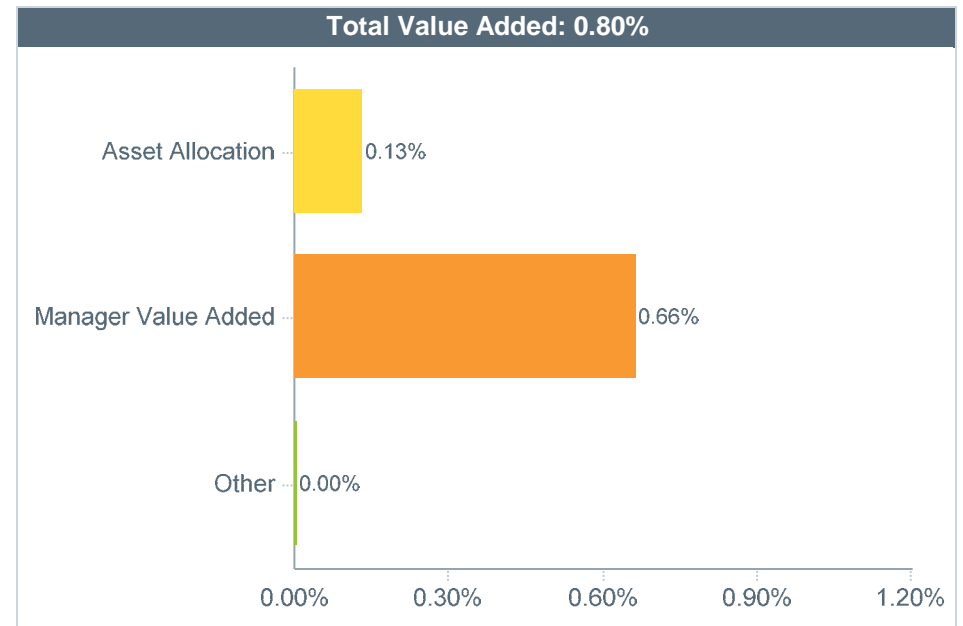
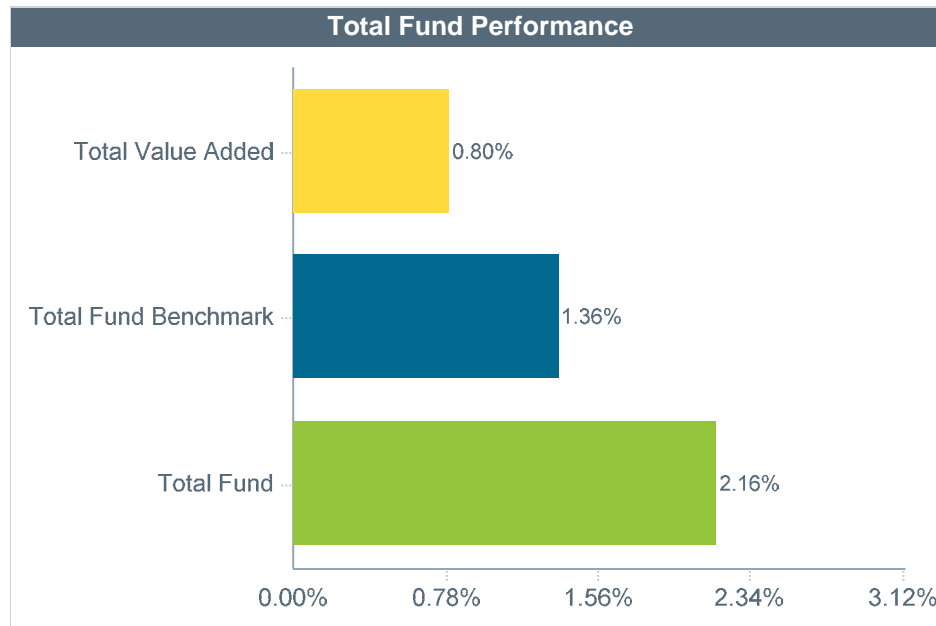
|                             | Market Value          | % of<br>Alt. Inv. Group | % of<br>Total Fund | Inception<br>IRR | Inception<br>Date |
|-----------------------------|-----------------------|-------------------------|--------------------|------------------|-------------------|
| <b>Private Equity</b>       | <b>\$ 217,194,757</b> | <b>38.08%</b>           | <b>2.23%</b>       | <b>11.63%</b>    | <b>May-06</b>     |
| Apollo VIII                 | \$ 2,736,372          | 0.48%                   | 0.03%              | 16.00%           | Feb-14            |
| Ares IV                     | \$ 13,389,496         | 2.35%                   | 0.14%              | 14.26%           | Nov-12            |
| Audax III V                 | \$ 8,312,485          | 1.46%                   | 0.09%              | 11.29%           | Jan-11            |
| Clayton, Dubilier & Rice IX | \$ 9,800,719          | 1.72%                   | 0.10%              | 1.71%            | May-14            |
| EnCap VIII                  | \$ 9,858,086          | 1.73%                   | 0.10%              | 20.71%           | Jan-11            |
| EnCap IX                    | \$ 6,165,509          | 1.08%                   | 0.06%              | 30.57%           | Jan-13            |
| Fisher Lynch II             | \$ 21,026,617         | 3.69%                   | 0.22%              | 14.45%           | Apr-08            |
| HRJ Special Opp II          | \$ 12,049,177         | 2.11%                   | 0.12%              | 9.45%            | Feb-08            |
| Landmark XIII               | \$ 12,629,923         | 2.21%                   | 0.13%              | 7.40%            | Oct-06            |
| Landmark XIV                | \$ 19,903,461         | 3.49%                   | 0.20%              | 19.22%           | Sep-08            |
| Landmark XV                 | \$ 10,507,706         | 1.84%                   | 0.11%              | 38.30%           | Mar-14            |
| Lexington VI                | \$ 15,454,832         | 2.71%                   | 0.16%              | 8.55%            | May-06            |
| Lexington VII               | \$ 18,870,762         | 3.31%                   | 0.19%              | 20.16%           | Nov-09            |
| Oaktree PF V                | \$ 12,849,860         | 2.25%                   | 0.13%              | 11.45%           | Jan-09            |
| Silver Lake IV              | \$ 5,155,224          | 0.90%                   | 0.05%              | 64.78%           | Oct-13            |
| Vista IV                    | \$ 23,087,424         | 4.05%                   | 0.24%              | 12.76%           | Oct-11            |
| Vista V                     | \$ 15,397,104         | 2.70%                   | 0.16%              | -10.27%          | May-14            |
| <b>Real Estate</b>          | <b>\$ 353,137,480</b> | <b>61.92%</b>           | <b>3.62%</b>       | <b>6.75%</b>     | <b>Nov-06</b>     |
| AG Core Plus III            | \$ 14,533,199         | 2.55%                   | 0.15%              | 18.51%           | Jan-12            |
| Almanac VI                  | \$ 4,178,998          | 0.73%                   | 0.04%              | 13.56%           | Jun-12            |
| BREP Europe IV              | \$ 9,158,230          | 1.61%                   | 0.09%              | 6.14%            | Jan-14            |
| BREP VII                    | \$ 19,789,156         | 3.47%                   | 0.20%              | 28.54%           | Jun-12            |
| Bristol Value II            | \$ 5,175,529          | 0.91%                   | 0.05%              | 7.82%            | Nov-12            |
| CB Richard Ellis Strat 5    | \$ 33,253             | 0.01%                   | 0.00%              | 17.60%           | May-08            |
| DFA Global REIT             | \$ 21,236,908         | 3.72%                   | 0.22%              | 12.34%           | Mar-13            |
| DRA G&I VII                 | \$ 12,736,215         | 2.23%                   | 0.13%              | 16.65%           | Oct-11            |
| DRA G&I VIII                | \$ 3,417,238          | 0.60%                   | 0.04%              | 1.27%            | Sep-14            |
| Heitman REIT                | \$ 20,542,488         | 3.60%                   | 0.21%              | 22.49%           | Oct-13            |
| Invesco Core RE             | \$ 40,512,202         | 7.10%                   | 0.42%              | 10.06%           | Jun-11            |
| JP Morgan Strategic         | \$ 62,024,026         | 10.88%                  | 0.64%              | 3.64%            | Sep-07            |
| Lone Star II                | \$ 2,516,321          | 0.44%                   | 0.03%              | 2.32%            | May-11            |
| Lone Star VII               | \$ 2,378,319          | 0.42%                   | 0.02%              | 52.55%           | May-11            |
| Mesa West II                | \$ 5,702,266          | 1.00%                   | 0.06%              | 17.82%           | Dec-09            |
| Mesa West III               | \$ 8,771,422          | 1.54%                   | 0.09%              | 8.01%            | Sep-13            |
| PCCP First Meeting II       | \$ 13,590,572         | 2.38%                   | 0.14%              | 6.90%            | Jun-12            |
| PRISA I                     | \$ 63,083,617         | 11.06%                  | 0.65%              | 3.02%            | Dec-06            |
| PRISA II                    | \$ 27,787,239         | 4.87%                   | 0.28%              | 4.04%            | May-07            |
| Torchlight Debt Opp IV      | \$ 15,970,282         | 2.80%                   | 0.16%              | 8.22%            | Jun-13            |

Market values and performance were provided by Northern Trust.



**Water and Power Employees' Retirement Plan**  
**Total Fund Composite (Retirement) vs. Retirement Policy Benchmark**  
**Total Fund Attribution - Retirement**

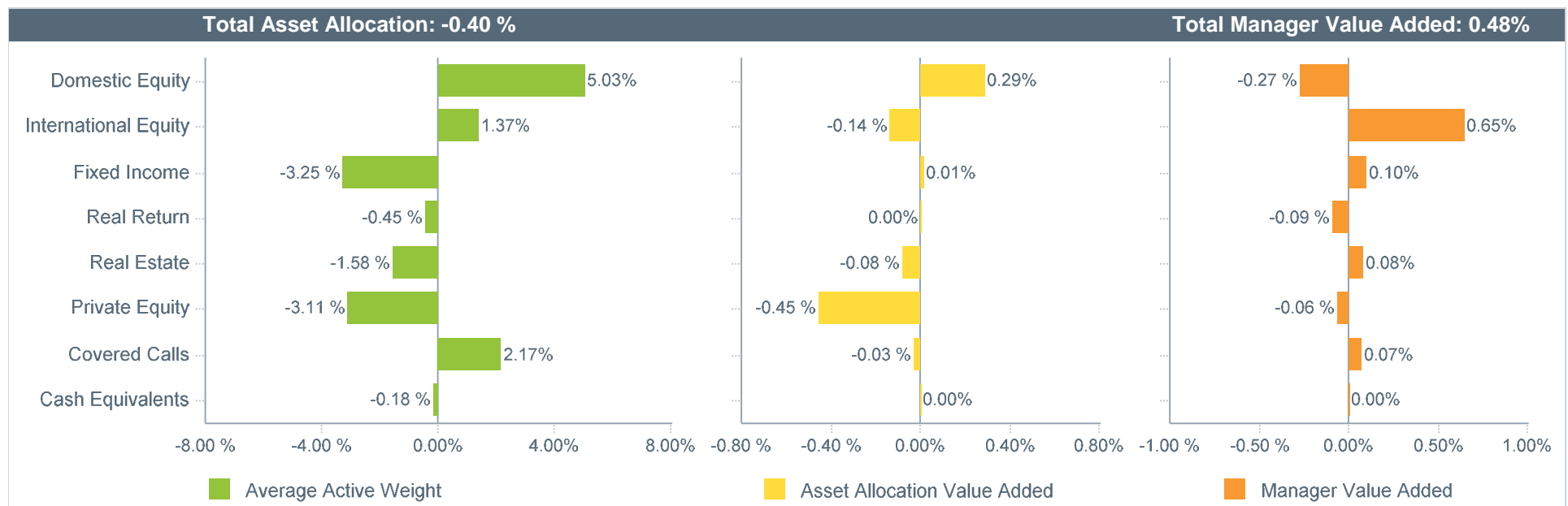
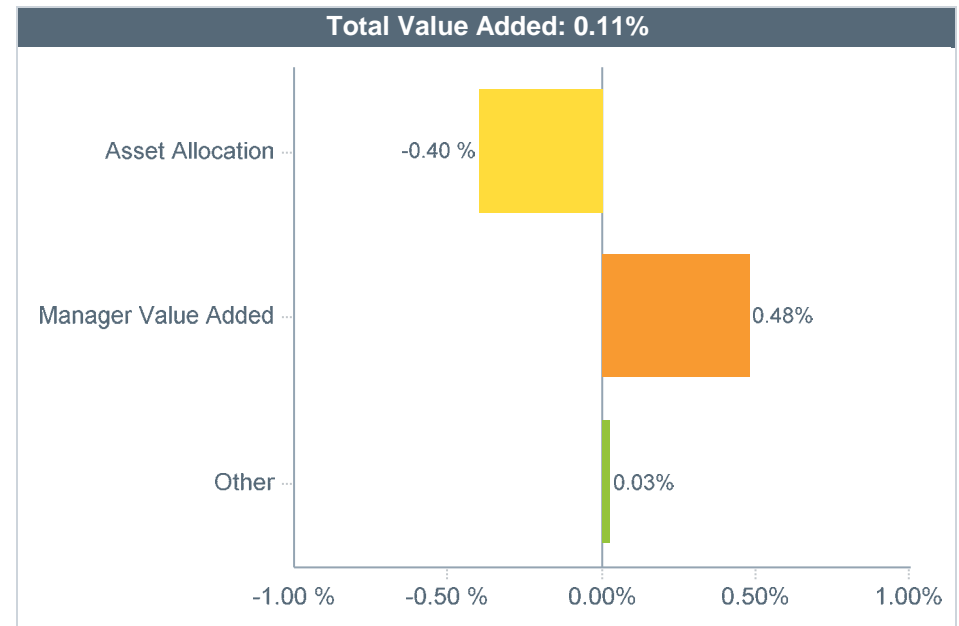
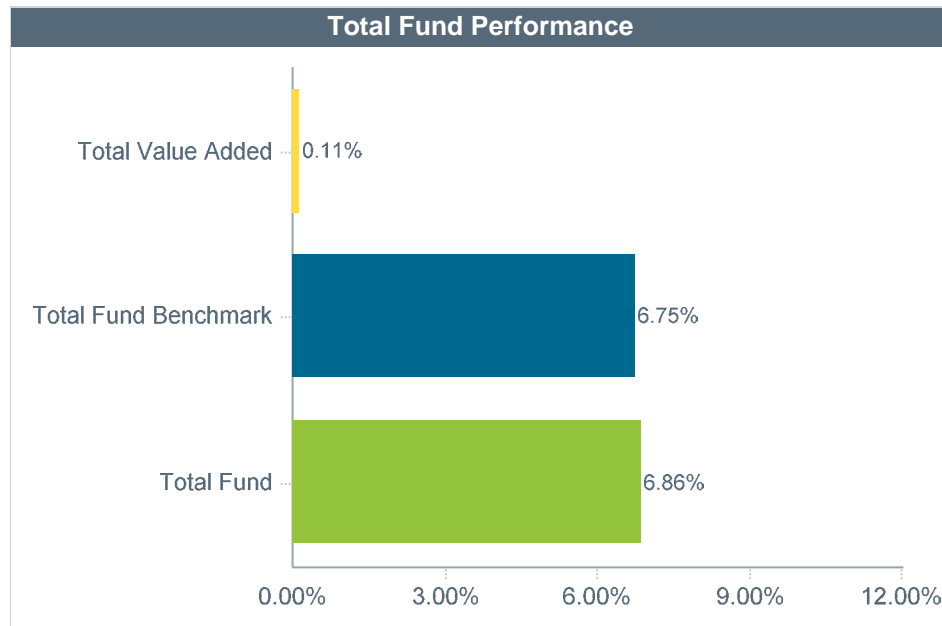
**1 Quarter Ending December 31, 2014**



Performance shown is gross of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution calculation.

**Water and Power Employees' Retirement Plan**  
**Total Fund Composite (Retirement) vs. Retirement Policy Benchmark**  
**Total Fund Attribution - Retirement**

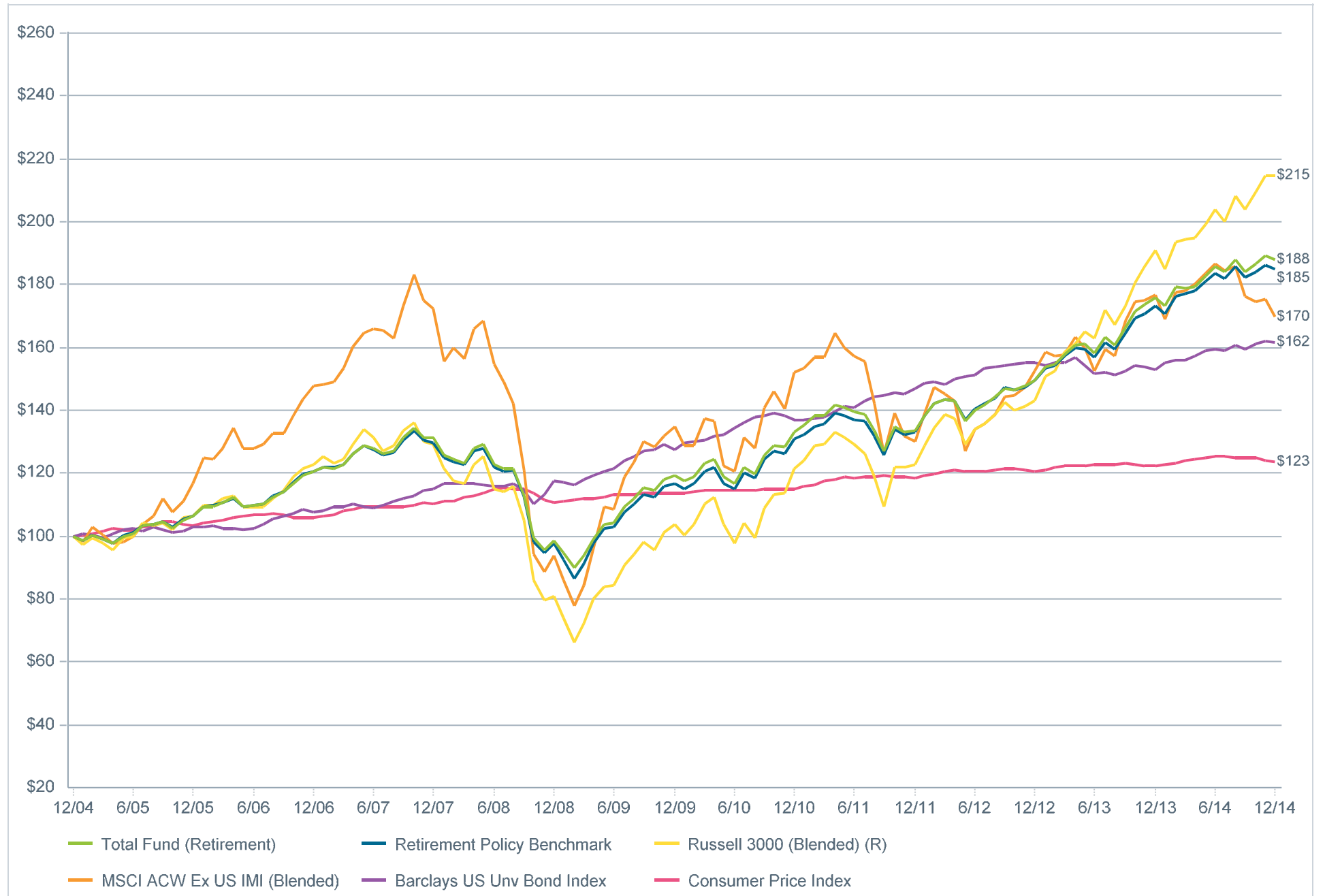
**1 Year Ending December 31, 2014**



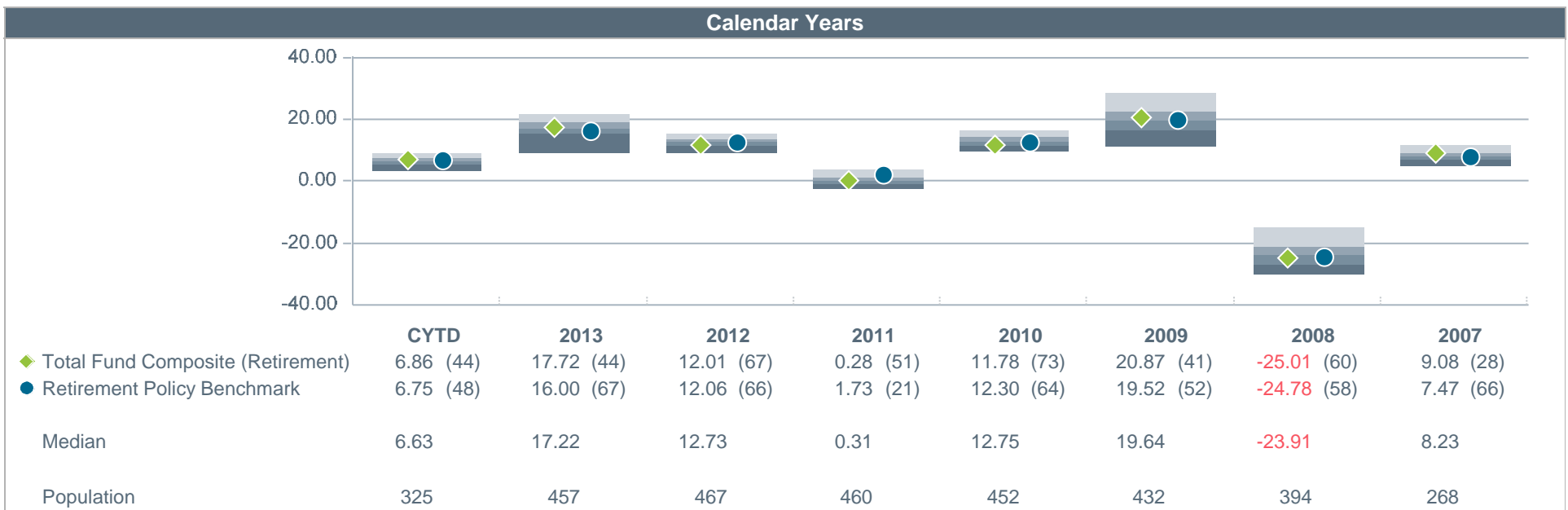
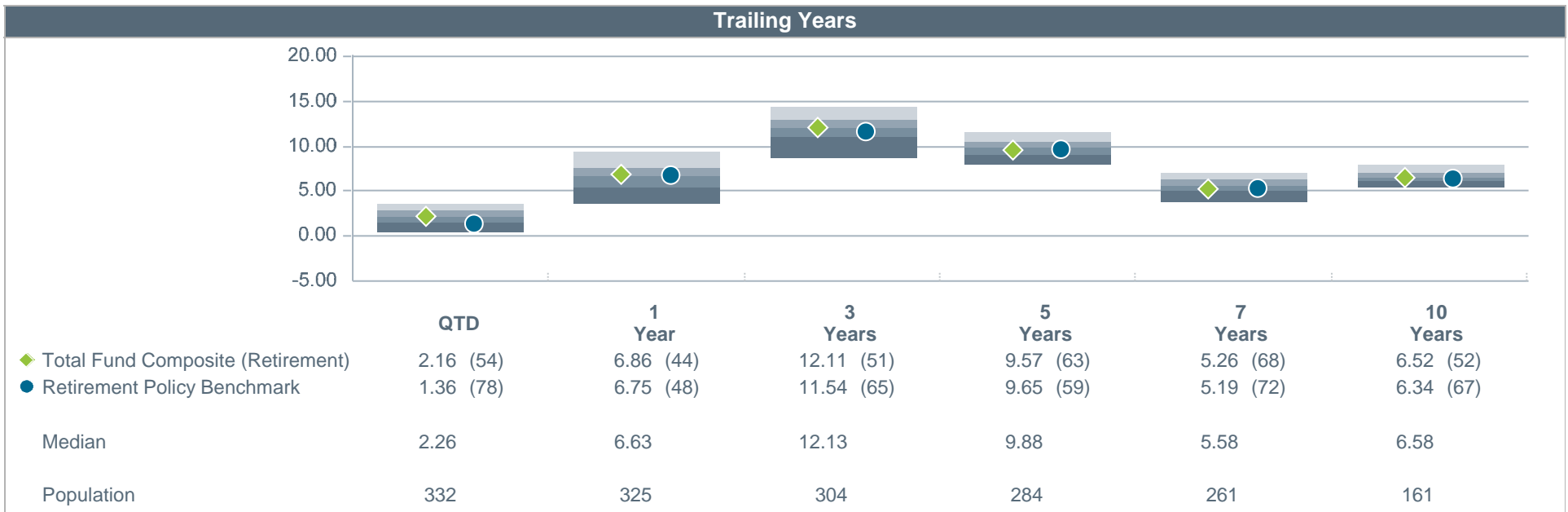
Performance shown is gross of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution calculation.

**Water and Power Employees' Retirement Plan**  
**Growth of \$100 - Retirement**

Since Inception Ending December 31, 2014



Calculation is based on monthly periodicity.

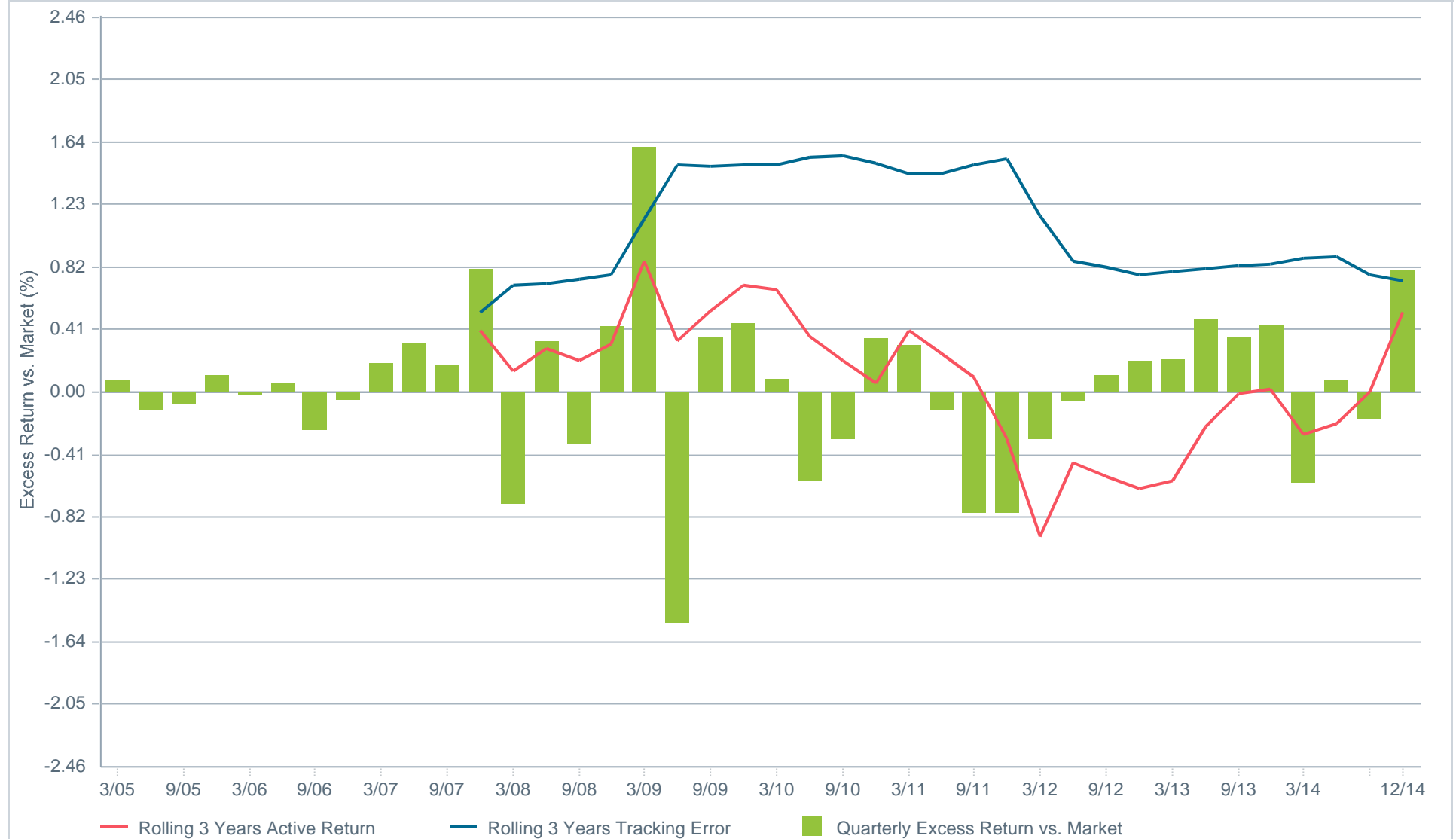


Performance shown is gross of fees.

**Water and Power Employees' Retirement Plan**  
**Total Fund Composite (Retirement) vs. Retirement Policy Benchmark**  
**Comparative Performance & Rolling Return - Retirement**

As of December 31, 2014

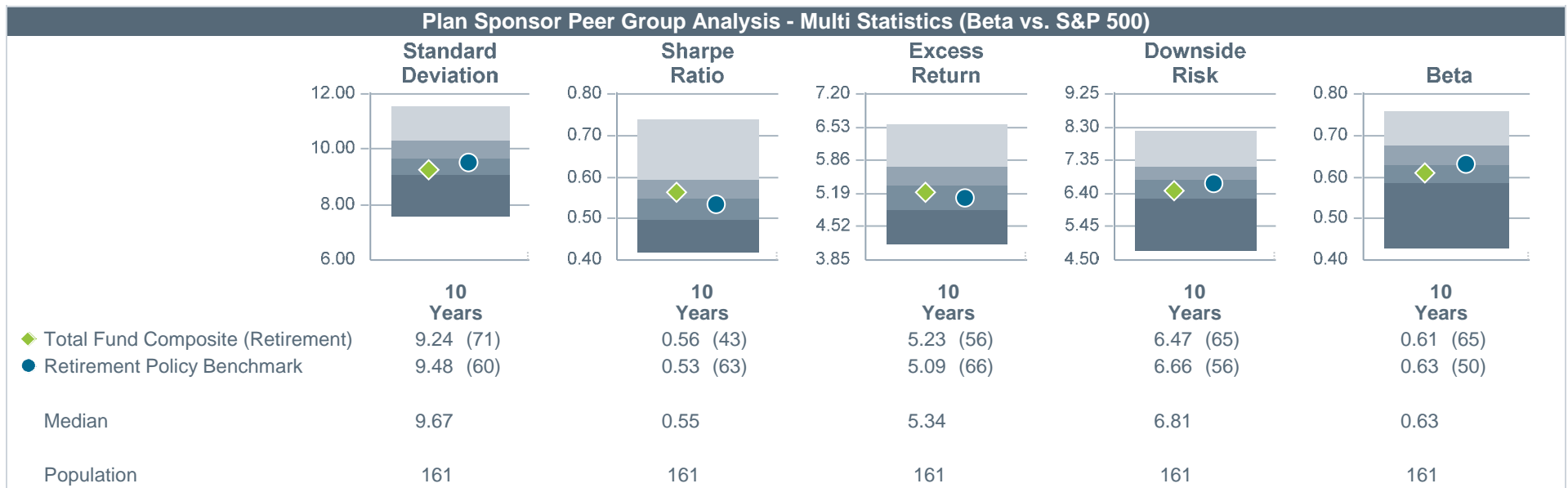
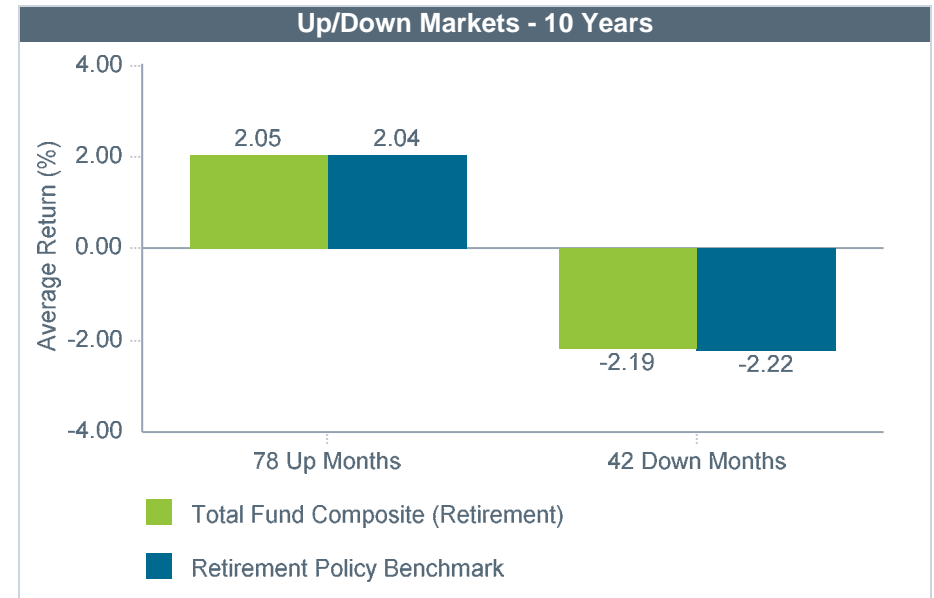
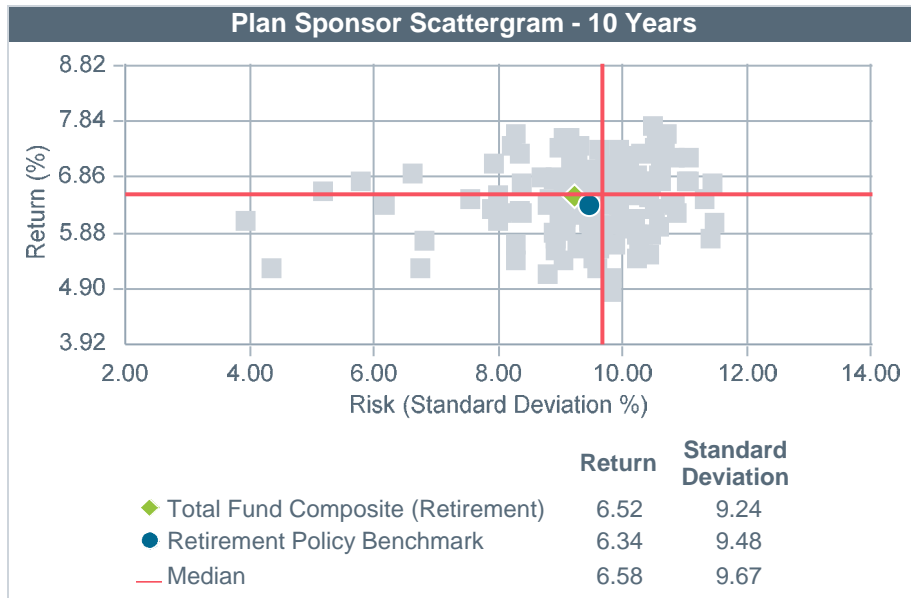
|  | QTD         | 1 Year      | 3 Years      | 5 Years     | 7 Years     | 10 Years    | 2013         | 2012         | 2011        | 2010         | 2009         |
|--|-------------|-------------|--------------|-------------|-------------|-------------|--------------|--------------|-------------|--------------|--------------|
| <b>Total Fund Composite (Retirement)</b> | <b>2.16</b> | <b>6.86</b> | <b>12.11</b> | <b>9.57</b> | <b>5.26</b> | <b>6.52</b> | <b>17.72</b> | <b>12.01</b> | <b>0.28</b> | <b>11.78</b> | <b>20.87</b> |
| Retirement Policy Benchmark              | 1.36        | 6.75        | 11.54        | 9.65        | 5.19        | 6.34        | 16.00        | 12.06        | 1.73        | 12.30        | 19.52        |
| Difference                               | 0.80        | 0.11        | 0.57         | -0.08       | 0.07        | 0.18        | 1.72         | -0.05        | -1.45       | -0.52        | 1.35         |



Performance shown is gross of fees. Calculation is based on quarterly periodicity.

Water and Power Employees' Retirement Plan  
Total Fund Composite (Retirement) vs. All Public Plans-Total Fund

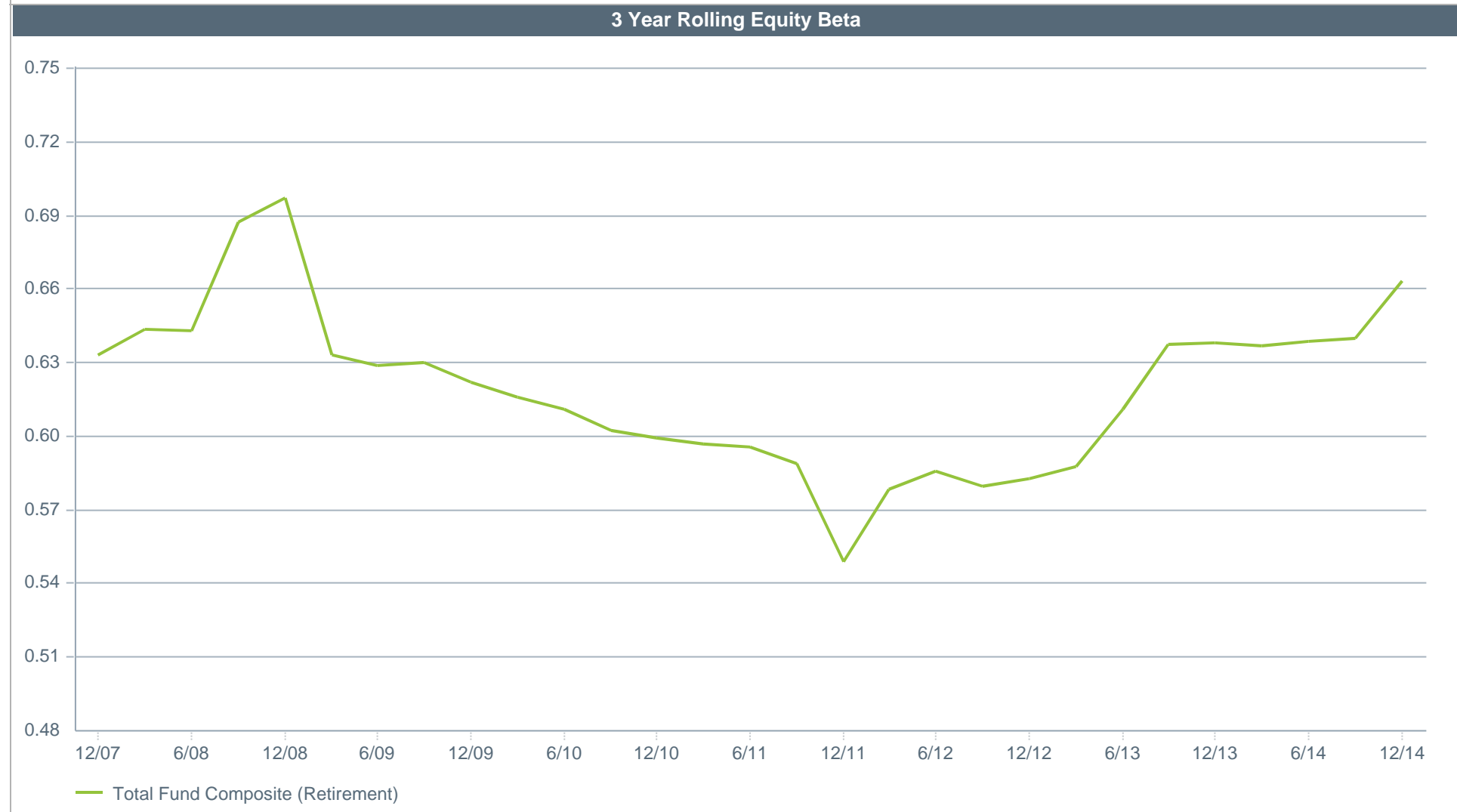
As of December 31, 2014



Performance shown is gross of fees. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.



| Equity Beta                       |           |            |            |            |             |                 |                   |
|-----------------------------------|-----------|------------|------------|------------|-------------|-----------------|-------------------|
|                                   | 1<br>Year | 3<br>Years | 5<br>Years | 7<br>Years | 10<br>Years | Since<br>Incep. | Inception<br>Date |
| Total Fund Composite (Retirement) | 0.67      | 0.66       | 0.59       | 0.61       | 0.61        | 0.61            | 01/01/2005        |
| S&P 500 Index (Cap Wtd)           | 1.00      | 1.00       | 1.00       | 1.00       | 1.00        | 1.00            |                   |

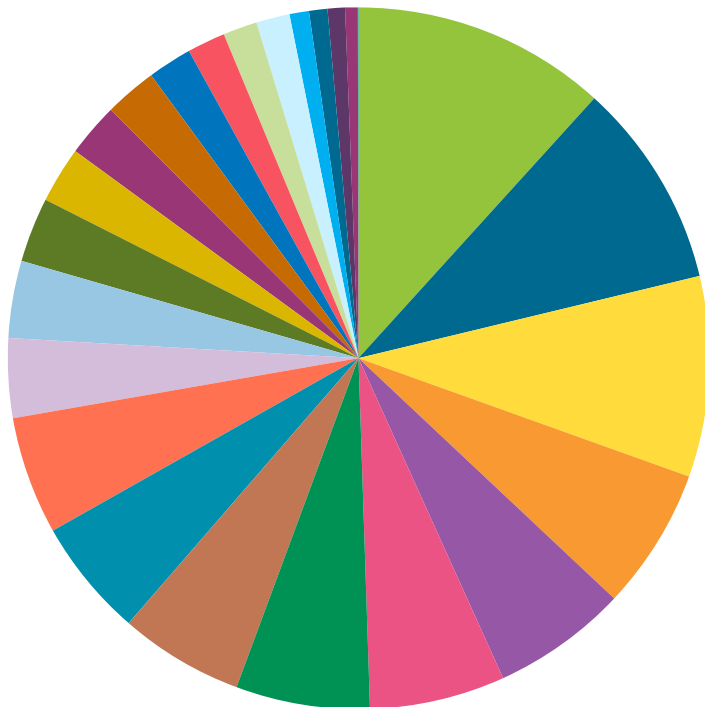


Performance shown is gross of fees. The objective of the Total Fund Beta is to measure the aggregate level of non-diversifiable or systematic equity risk exposure of the Water and Power Employees' Retirement Plan - Retirement. The Total Fund Beta is calculated using the S&P 500 Index (Cap Wtd) as the benchmark and is based on monthly periodicity. It represents a measure of the sensitivity of the total fund to movements of the S&P 500 Index (Cap Wtd) over the preceding three year period.

Water and Power Employees' Retirement Plan  
Asset Allocation By Manager - Health

As of December 31, 2014

December 31, 2014 : \$1,634,855,907



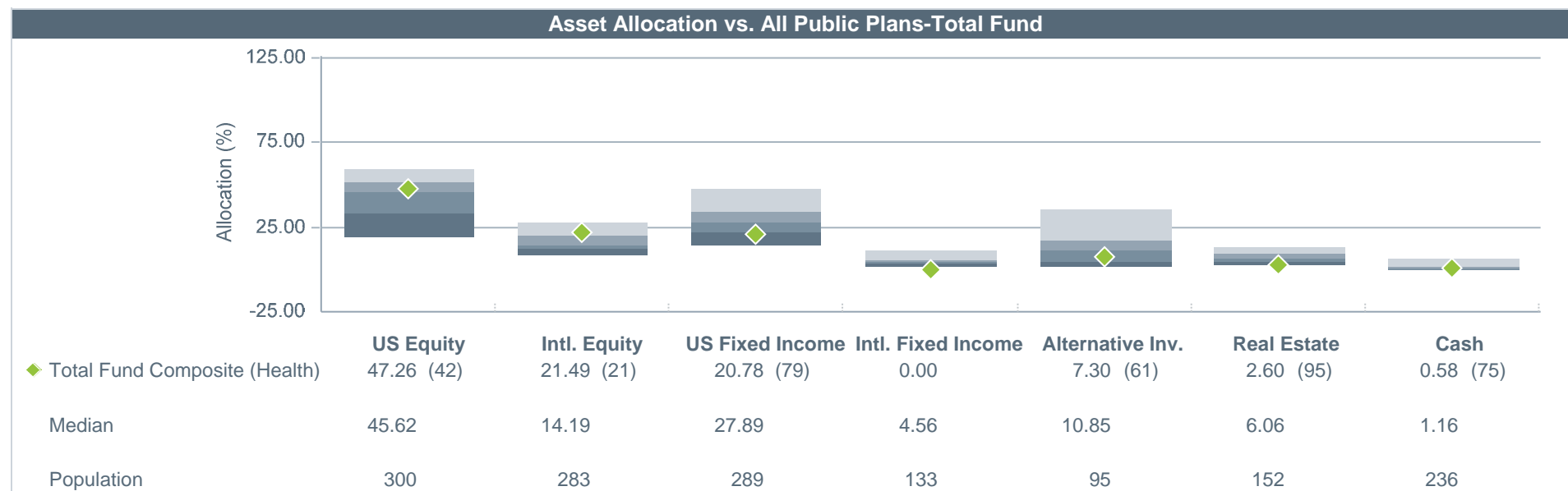
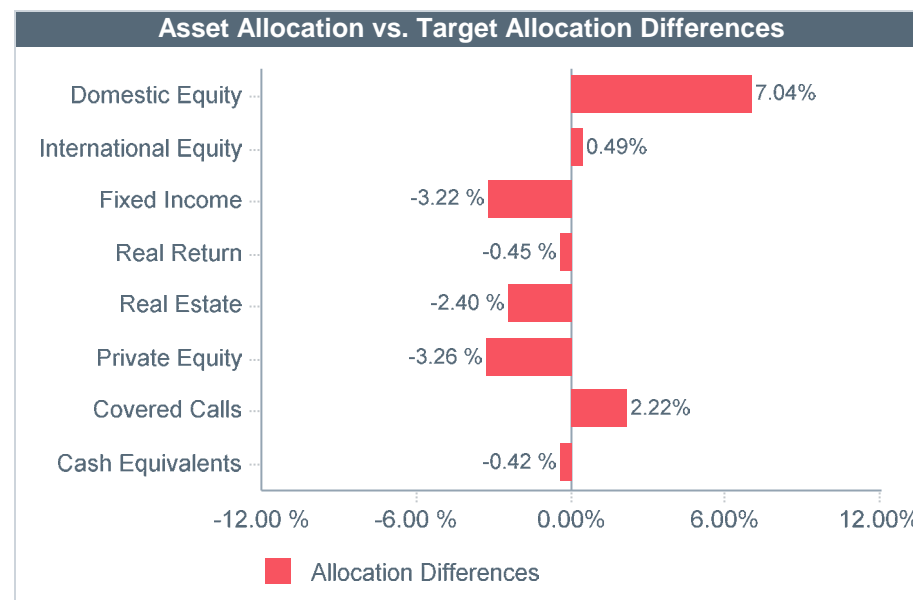
|  | Market Value<br>(\$) | Allocation<br>(%) |
|--|----------------------|-------------------|
| BlackRock Russell 1000 Index (CF)        | 191,830,222          | 11.73             |
| Wells Core (SA)                          | 155,231,730          | 9.50              |
| JP Morgan Core (SA)                      | 151,087,311          | 9.24              |
| Fred Alger Large Cap Growth (SA)         | 106,830,444          | 6.53              |
| T. Rowe Price Large Cap Growth (SA)      | 102,034,979          | 6.24              |
| T. Rowe Price Large Cap Value (SA)       | 101,958,911          | 6.24              |
| MFS Large Cap Value (SA)                 | 100,795,500          | 6.17              |
| MFS Developed Int'l (SA)                 | 93,641,765           | 5.73              |
| BlackRock Developed Int'l - Passive (CF) | 89,216,792           | 5.46              |
| Pyramis (SA)                             | 88,627,548           | 5.42              |
| Gateway - Active (SA)                    | 59,818,405           | 3.66              |
| Gateway - Passive (SA)                   | 58,201,458           | 3.56              |
| WAMCO (SA)                               | 48,685,552           | 2.98              |
| Real Estate Composite                    | 42,471,336           | 2.60              |
| Vontobel Emerging (SA)                   | 40,442,502           | 2.47              |
| LA Capital Emerging (CF)                 | 39,405,223           | 2.41              |
| Wells High Yield (SA)                    | 33,346,139           | 2.04              |
| Private Equity Composite                 | 28,515,284           | 1.74              |
| Earnest Partners Small Cap Value (SA)    | 25,910,625           | 1.58              |
| Frontier Small Cap Growth (SA)           | 25,245,573           | 1.54              |
| Invesco Commodity (CF)                   | 14,688,424           | 0.90              |
| GAM Divergent (CF) (Lagged-1 Mo)         | 13,686,400           | 0.84              |
| Morgan Stanley AIP (CF) (Lagged-1 Mo)    | 13,086,359           | 0.80              |
| Cash Equivalents                         | 9,488,549            | 0.58              |
| Hancock Timberland (CF) (Lagged-1 Mo)    | 608,875              | 0.04              |

Allocations shown may not sum up to 100% exactly due to rounding.

**Water and Power Employees' Retirement Plan**  
**Total Fund Composite (Health) vs. All Public Plans-Total Fund**  
**Asset Allocation vs. Target and Plan Sponsor Peer Group - Health**

As of December 31, 2014

| Asset Allocation vs. Target Allocation |                   |                |            |
|--|-------------------|----------------|------------|
|  | Market Value (\$) | Allocation (%) | Target (%) |
| Domestic Equity                        | 654,606,254       | 40.04          | 33.00      |
| International Equity                   | 351,333,830       | 21.49          | 21.00      |
| Fixed Income                           | 339,665,180       | 20.78          | 24.00      |
| Real Return                            | 90,755,610        | 5.55           | 6.00       |
| Real Estate                            | 42,471,336        | 2.60           | 5.00       |
| Private Equity                         | 28,515,284        | 1.74           | 5.00       |
| Covered Calls                          | 118,019,863       | 7.22           | 5.00       |
| Cash Equivalents                       | 9,488,549         | 0.58           | 1.00       |
| Total Fund                             | 1,634,855,907     | 100.00         | 100.00     |



Parentheses contain percentile ranks. Allocations shown may not sum up to 100% exactly due to rounding.

**Water and Power Employees' Retirement Plan  
Comparative Performance - Health**

**As of December 31, 2014**

|  | QTD         | 1<br>Year    | 3<br>Years   | 5<br>Years   | 7<br>Years  | 10<br>Years | 2013         | 2012         | 2011         | Since<br>Incep. | Inception<br>Date |
|--|-------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|-----------------|-------------------|
| <b>Total Fund Composite (Health)</b>           | <b>2.15</b> | <b>6.74</b>  | <b>11.89</b> | <b>9.55</b>  | <b>6.12</b> | <b>N/A</b>  | <b>17.76</b> | <b>11.44</b> | <b>1.56</b>  | <b>6.12</b>     | <b>01/01/2007</b> |
| Health Policy Benchmark                        | 1.36        | 6.75         | 11.42        | 9.53         | 5.46        | N/A         | 15.95        | 11.74        | 1.66         | 5.51            |                   |
| Difference                                     | 0.79        | -0.01        | 0.47         | 0.02         | 0.66        | N/A         | 1.81         | -0.30        | -0.10        | 0.61            |                   |
| All Public Plans-Total Fund Median             | 2.26        | 6.63         | 12.13        | 9.88         | 5.58        | 6.58        | 17.22        | 12.73        | 0.31         | 5.83            |                   |
| Rank   | 54          | 48           | 57           | 64           | 30          | N/A         | 44           | 78           | 23           | 35              |                   |
| <b>Domestic Equity Composite</b>               | <b>5.20</b> | <b>11.88</b> | <b>21.45</b> | <b>15.78</b> | <b>7.56</b> | <b>N/A</b>  | <b>36.87</b> | <b>16.98</b> | <b>-0.22</b> | <b>7.39</b>     | <b>01/01/2007</b> |
| Russell 3000 (Blended) (H)                     | 5.24        | 12.55        | 20.51        | 15.63        | 7.45        | 7.94        | 33.55        | 16.42        | 1.03         | 7.24            |                   |
| Difference                                     | -0.04       | -0.67        | 0.94         | 0.15         | 0.11        | N/A         | 3.32         | 0.56         | -1.25        | 0.15            |                   |
| All Public Plans-US Equity Segment Median      | 5.27        | 11.41        | 20.15        | 15.64        | 7.35        | 7.83        | 34.03        | 16.52        | 0.52         | 7.06            |                   |
| Rank   | 53          | 35           | 8            | 38           | 39          | N/A         | 8            | 34           | 66           | 33              |                   |
| <b>MFS Large Cap Value (SA)</b>                | <b>6.20</b> | <b>11.87</b> | <b>21.15</b> | <b>15.07</b> | <b>N/A</b>  | <b>N/A</b>  | <b>36.43</b> | <b>16.51</b> | <b>0.74</b>  | <b>15.31</b>    | <b>10/01/2009</b> |
| R 1000 Value Index                             | 4.98        | 13.45        | 20.89        | 15.42        | 6.45        | 7.30        | 32.53        | 17.50        | 0.39         | 15.54           |                   |
| Difference                                     | 1.22        | -1.58        | 0.26         | -0.35        | N/A         | N/A         | 3.90         | -0.99        | 0.35         | -0.23           |                   |
| IM U.S. Large Cap Value Equity (SA+CF) Median  | 4.47        | 12.12        | 20.35        | 15.25        | 7.49        | 8.39        | 34.32        | 15.75        | 0.47         | 15.61           |                   |
| Rank   | 15          | 55           | 39           | 55           | N/A         | N/A         | 35           | 42           | 48           | 59              |                   |
| <b>T. Rowe Price Large Cap Value (SA)</b>      | <b>4.94</b> | <b>13.51</b> | <b>21.98</b> | <b>15.94</b> | <b>N/A</b>  | <b>N/A</b>  | <b>35.43</b> | <b>18.05</b> | <b>0.61</b>  | <b>16.28</b>    | <b>10/01/2009</b> |
| R 1000 Value Index                             | 4.98        | 13.45        | 20.89        | 15.42        | 6.45        | 7.30        | 32.53        | 17.50        | 0.39         | 15.54           |                   |
| Difference                                     | -0.04       | 0.06         | 1.09         | 0.52         | N/A         | N/A         | 2.90         | 0.55         | 0.22         | 0.74            |                   |
| IM U.S. Large Cap Value Equity (SA+CF) Median  | 4.47        | 12.12        | 20.35        | 15.25        | 7.49        | 8.39        | 34.32        | 15.75        | 0.47         | 15.61           |                   |
| Rank   | 38          | 32           | 31           | 35           | N/A         | N/A         | 42           | 26           | 49           | 35              |                   |
| <b>BlackRock Russell 1000 Index (CF)</b>       | <b>4.89</b> | <b>13.27</b> | <b>20.66</b> | <b>15.71</b> | <b>7.58</b> | <b>N/A</b>  | <b>33.14</b> | <b>16.47</b> | <b>1.59</b>  | <b>7.40</b>     | <b>01/01/2007</b> |
| R 1000 Index                                   | 4.88        | 13.24        | 20.62        | 15.64        | 7.49        | 7.96        | 33.11        | 16.43        | 1.50         | 7.27            |                   |
| Difference                                     | 0.01        | 0.03         | 0.04         | 0.07         | 0.09        | N/A         | 0.03         | 0.04         | 0.09         | 0.13            |                   |
| IM U.S. Large Cap Core Equity (SA+CF) Median   | 5.11        | 13.45        | 20.69        | 15.53        | 7.79        | 8.42        | 33.42        | 15.66        | 1.93         | 7.67            |                   |
| Rank   | 58          | 53           | 51           | 46           | 57          | N/A         | 54           | 40           | 55           | 61              |                   |
| <b>Fred Alger Large Cap Growth (SA)</b>        | <b>3.24</b> | <b>11.78</b> | <b>20.96</b> | <b>15.22</b> | <b>N/A</b>  | <b>N/A</b>  | <b>37.35</b> | <b>15.27</b> | <b>-3.97</b> | <b>16.01</b>    | <b>10/01/2009</b> |
| R 1000 Growth Index                            | 4.78        | 13.05        | 20.26        | 15.81        | 8.41        | 8.49        | 33.48        | 15.26        | 2.64         | 16.69           |                   |
| Difference                                     | -1.54       | -1.27        | 0.70         | -0.59        | N/A         | N/A         | 3.87         | 0.01         | -6.61        | -0.68           |                   |
| IM U.S. Large Cap Growth Equity (SA+CF) Median | 5.11        | 12.05        | 20.56        | 15.28        | 7.96        | 8.58        | 34.62        | 15.19        | 0.08         | 15.97           |                   |
| Rank   | 84          | 55           | 43           | 52           | N/A         | N/A         | 27           | 50           | 82           | 49              |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

**Water and Power Employees' Retirement Plan  
Comparative Performance - Health**

**As of December 31, 2014**

|  | QTD          | 1<br>Year    | 3<br>Years   | 5<br>Years   | 7<br>Years | 10<br>Years | 2013         | 2012         | 2011          | Since<br>Incep. | Inception<br>Date |
|--|--------------|--------------|--------------|--------------|------------|-------------|--------------|--------------|---------------|-----------------|-------------------|
| <b>T. Rowe Price Large Cap Growth (SA)</b>               | <b>4.55</b>  | <b>9.40</b>  | <b>23.69</b> | <b>N/A</b>   | <b>N/A</b> | <b>N/A</b>  | <b>44.52</b> | <b>19.70</b> | <b>-1.97</b>  | <b>15.86</b>    | <b>05/01/2010</b> |
| R 1000 Growth Index                                      | 4.78         | 13.05        | 20.26        | 15.81        | 8.41       | 8.49        | 33.48        | 15.26        | 2.64          | 15.63           |                   |
| Difference   | -0.23        | -3.65        | 3.43         | N/A          | N/A        | N/A         | 11.04        | 4.44         | -4.61         | 0.23            |                   |
| IM U.S. Large Cap Growth Equity (SA+CF) Median           | 5.11         | 12.05        | 20.56        | 15.28        | 7.96       | 8.58        | 34.62        | 15.19        | 0.08          | 15.10           |                   |
| Rank   | 64           | 77           | 10           | N/A          | N/A        | N/A         | 6            | 15           | 67            | 36              |                   |
| <b>Earnest Partners Small Cap Value (SA)</b>             | <b>10.55</b> | <b>11.12</b> | <b>20.43</b> | <b>16.60</b> | <b>N/A</b> | <b>N/A</b>  | <b>35.43</b> | <b>16.07</b> | <b>1.91</b>   | <b>17.18</b>    | <b>10/01/2009</b> |
| R 2000 Value Index                                       | 9.40         | 4.22         | 18.29        | 14.26        | 7.59       | 6.89        | 34.52        | 18.05        | -5.50         | 14.31           |                   |
| Difference   | 1.15         | 6.90         | 2.14         | 2.34         | N/A        | N/A         | 0.91         | -1.98        | 7.41          | 2.87            |                   |
| IM U.S. Small Cap Value Equity (SA+CF) Median            | 7.73         | 5.34         | 19.84        | 16.29        | 9.88       | 9.25        | 38.74        | 17.49        | -3.27         | 16.50           |                   |
| Rank   | 10           | 5            | 42           | 45           | N/A        | N/A         | 73           | 64           | 16            | 35              |                   |
| <b>Frontier Small Cap Growth (SA)</b>                    | <b>10.90</b> | <b>6.01</b>  | <b>19.75</b> | <b>N/A</b>   | <b>N/A</b> | <b>N/A</b>  | <b>41.35</b> | <b>14.60</b> | <b>-6.76</b>  | <b>14.25</b>    | <b>05/01/2010</b> |
| R 2000 Growth Index                                      | 10.06        | 5.60         | 20.14        | 16.79        | 8.73       | 8.54        | 43.30        | 14.59        | -2.91         | 15.24           |                   |
| Difference   | 0.84         | 0.41         | -0.39        | N/A          | N/A        | N/A         | -1.95        | 0.01         | -3.85         | -0.99           |                   |
| IM U.S. Small Cap Growth Equity (SA+CF) Median           | 8.64         | 3.87         | 20.22        | 17.61        | 8.91       | 9.59        | 46.64        | 14.76        | -1.68         | 15.97           |                   |
| Rank   | 15           | 32           | 61           | N/A          | N/A        | N/A         | 82           | 52           | 79            | 77              |                   |
| <b>International Equity Composite</b>                    | <b>-1.74</b> | <b>-1.14</b> | <b>9.79</b>  | <b>4.58</b>  | <b>N/A</b> | <b>N/A</b>  | <b>18.81</b> | <b>12.69</b> | <b>-12.86</b> | <b>5.32</b>     | <b>09/01/2009</b> |
| MSCI ACW Ex US IMI (Net)                                 | -3.88        | -3.89        | 9.22         | 4.71         | -0.34      | 5.37        | 15.82        | 17.04        | -14.31        | 6.13            |                   |
| Difference   | 2.14         | 2.75         | 0.57         | -0.13        | N/A        | N/A         | 2.99         | -4.35        | 1.45          | -0.81           |                   |
| All Public Plans-Intl. Equity Segment Median             | -3.03        | -3.00        | 10.93        | 6.12         | 0.39       | 5.92        | 18.47        | 18.80        | -12.65        | 7.51            |                   |
| Rank   | 17           | 23           | 74           | 89           | N/A        | N/A         | 46           | 100          | 57            | 91              |                   |
| <b>BlackRock Developed Int'l - Passive (CF)</b>          | <b>-3.59</b> | <b>-4.13</b> | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b> | <b>N/A</b>  | <b>22.12</b> | <b>N/A</b>   | <b>N/A</b>    | <b>10.00</b>    | <b>10/01/2012</b> |
| MSCI World Ex US IMI Index (Net)                         | -3.65        | -4.45        | 10.62        | 5.52         | -0.12      | 4.88        | 21.57        | 16.55        | -12.66        | 9.59            |                   |
| Difference   | 0.06         | 0.32         | N/A          | N/A          | N/A        | N/A         | 0.55         | N/A          | N/A           | 0.41            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25         | 1.44       | 6.25        | 23.86        | 19.59        | -11.99        | 10.78           |                   |
| Rank   | 69           | 60           | N/A          | N/A          | N/A        | N/A         | 61           | N/A          | N/A           | 62              |                   |
| <b>MFS Developed Int'l (SA)</b>                          | <b>0.11</b>  | <b>1.32</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b> | <b>N/A</b>  | <b>31.57</b> | <b>N/A</b>   | <b>N/A</b>    | <b>16.23</b>    | <b>08/01/2012</b> |
| MSCI World Ex US IMI Index (Net)                         | -3.65        | -4.45        | 10.62        | 5.52         | -0.12      | 4.88        | 21.57        | 16.55        | -12.66        | 11.64           |                   |
| Difference   | 3.76         | 5.77         | N/A          | N/A          | N/A        | N/A         | 10.00        | N/A          | N/A           | 4.59            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25         | 1.44       | 6.25        | 23.86        | 19.59        | -11.99        | 12.64           |                   |
| Rank   | 12           | 15           | N/A          | N/A          | N/A        | N/A         | 15           | N/A          | N/A           | 20              |                   |

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**Water and Power Employees' Retirement Plan  
Comparative Performance - Health**

**As of December 31, 2014**

|  | QTD          | 1<br>Year    | 3<br>Years   | 5<br>Years  | 7<br>Years  | 10<br>Years | 2013         | 2012         | 2011          | Since<br>Incep. | Inception<br>Date |
|--|--------------|--------------|--------------|-------------|-------------|-------------|--------------|--------------|---------------|-----------------|-------------------|
| <b>Pyramis (SA)</b>                                      | <b>-3.14</b> | <b>-5.98</b> | <b>11.81</b> | <b>6.84</b> | <b>N/A</b>  | <b>N/A</b>  | <b>25.53</b> | <b>18.44</b> | <b>-11.20</b> | <b>7.10</b>     | <b>10/01/2009</b> |
| International Developed Blend                            | -3.65        | -4.45        | 10.62        | 5.52        | 0.46        | 4.59        | 21.57        | 16.55        | -12.66        | 5.69            |                   |
| Difference   | 0.51         | -1.53        | 1.19         | 1.32        | N/A         | N/A         | 3.96         | 1.89         | 1.46          | 1.41            |                   |
| IM International Equity Developed Markets (SA+CF) Median | -2.66        | -3.42        | 12.23        | 7.25        | 1.44        | 6.25        | 23.86        | 19.59        | -11.99        | 7.60            |                   |
| Rank   | 60           | 81           | 57           | 57          | N/A         | N/A         | 40           | 60           | 42            | 59              |                   |
| <b>LA Capital Emerging (CF)</b>                          | <b>2.16</b>  | <b>3.89</b>  | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-1.67</b> | <b>N/A</b>   | <b>N/A</b>    | <b>3.83</b>     | <b>10/01/2012</b> |
| MSCI Emg Mkts Investable Mkt Index (Net)                 | -4.70        | -1.79        | 4.47         | 1.93        | -1.07       | 8.62        | -2.20        | 18.69        | -19.49        | 0.60            |                   |
| Difference   | 6.86         | 5.68         | N/A          | N/A         | N/A         | N/A         | 0.53         | N/A          | N/A           | 3.23            |                   |
| IM Emerging Markets Equity (SA+CF) Median                | -4.14        | -0.27        | 6.39         | 3.51        | -0.06       | 9.67        | 0.52         | 20.53        | -18.44        | 2.72            |                   |
| Rank   | 2            | 19           | N/A          | N/A         | N/A         | N/A         | 66           | N/A          | N/A           | 37              |                   |
| <b>Vontobel Emerging (SA)</b>                            | <b>-2.34</b> | <b>7.19</b>  | <b>N/A</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-5.22</b> | <b>N/A</b>   | <b>N/A</b>    | <b>0.79</b>     | <b>01/01/2013</b> |
| MSCI Emg Mkts Investable Mkt Index (Net)                 | -4.70        | -1.79        | 4.47         | 1.93        | -1.07       | 8.62        | -2.20        | 18.69        | -19.49        | -1.99           |                   |
| Difference   | 2.36         | 8.98         | N/A          | N/A         | N/A         | N/A         | -3.02        | N/A          | N/A           | 2.78            |                   |
| IM Emerging Markets Equity (SA+CF) Median                | -4.14        | -0.27        | 6.39         | 3.51        | -0.06       | 9.67        | 0.52         | 20.53        | -18.44        | -0.16           |                   |
| Rank   | 24           | 8            | N/A          | N/A         | N/A         | N/A         | 89           | N/A          | N/A           | 42              |                   |
| <b>Fixed Income Composite</b>                            | <b>1.61</b>  | <b>6.05</b>  | <b>3.97</b>  | <b>5.62</b> | <b>6.38</b> | <b>N/A</b>  | <b>-0.82</b> | <b>6.84</b>  | <b>8.24</b>   | <b>6.47</b>     | <b>01/01/2007</b> |
| Barclays US Unv Bond Index (Blended)                     | 1.34         | 5.56         | 3.20         | 4.81        | 5.08        | 4.92        | -1.35        | 5.53         | 7.40          | 5.31            |                   |
| Difference   | 0.27         | 0.49         | 0.77         | 0.81        | 1.30        | N/A         | 0.53         | 1.31         | 0.84          | 1.16            |                   |
| All Public Plans-US Fixed Income Segment Median          | 1.16         | 5.74         | 4.10         | 5.91        | 5.47        | 5.13        | -1.35        | 7.23         | 7.74          | 5.34            |                   |
| Rank   | 22           | 41           | 53           | 57          | 25          | N/A         | 38           | 56           | 31            | 21              |                   |
| <b>JP Morgan Core (SA)</b>                               | <b>1.61</b>  | <b>5.80</b>  | <b>3.24</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b>  | <b>-1.35</b> | <b>5.44</b>  | <b>7.95</b>   | <b>4.64</b>     | <b>05/01/2010</b> |
| Barclays US Agg Bond Index                               | 1.79         | 5.97         | 2.66         | 4.45        | 4.77        | 4.71        | -2.02        | 4.21         | 7.84          | 4.15            |                   |
| Difference   | -0.18        | -0.17        | 0.58         | N/A         | N/A         | N/A         | 0.67         | 1.23         | 0.11          | 0.49            |                   |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median    | 1.71         | 6.15         | 3.34         | 5.07        | 5.32        | 5.11        | -1.56        | 5.73         | 7.84          | 4.64            |                   |
| Rank   | 64           | 75           | 58           | N/A         | N/A         | N/A         | 40           | 61           | 40            | 49              |                   |
| <b>Wells Core (SA)</b>                                   | <b>1.92</b>  | <b>6.57</b>  | <b>3.71</b>  | <b>5.58</b> | <b>6.32</b> | <b>N/A</b>  | <b>-1.86</b> | <b>6.66</b>  | <b>9.04</b>   | <b>6.41</b>     | <b>01/01/2007</b> |
| Barclays US Agg Bond Index                               | 1.79         | 5.97         | 2.66         | 4.45        | 4.77        | 4.71        | -2.02        | 4.21         | 7.84          | 5.04            |                   |
| Difference   | 0.13         | 0.60         | 1.05         | 1.13        | 1.55        | N/A         | 0.16         | 2.45         | 1.20          | 1.37            |                   |
| IM U.S. Broad Market Core Fixed Income (SA+CF) Median    | 1.71         | 6.15         | 3.34         | 5.07        | 5.32        | 5.11        | -1.56        | 5.73         | 7.84          | 5.50            |                   |
| Rank   | 13           | 30           | 33           | 23          | 5           | N/A         | 66           | 29           | 5             | 4               |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.



**Water and Power Employees' Retirement Plan  
Comparative Performance - Health**

**As of December 31, 2014**

|   | QTD          | 1<br>Year     | 3<br>Years  | 5<br>Years  | 7<br>Years | 10<br>Years | 2013         | 2012         | 2011         | Since<br>Incep. | Inception<br>Date |
|---|--------------|---------------|-------------|-------------|------------|-------------|--------------|--------------|--------------|-----------------|-------------------|
| <b>Wells High Yield (SA)</b>                    | <b>0.15</b>  | <b>4.77</b>   | <b>7.98</b> | <b>8.40</b> | <b>N/A</b> | <b>N/A</b>  | <b>5.76</b>  | <b>13.63</b> | <b>5.69</b>  | <b>8.13</b>     | <b>10/01/2009</b> |
| Barclays US Hi Yld - 2% Issuer Cap Index        | -1.00        | 2.46          | 8.42        | 8.98        | 8.84       | 7.73        | 7.44         | 15.78        | 4.96         | 9.79            |                   |
| Difference                                      | 1.15         | 2.31          | -0.44       | -0.58       | N/A        | N/A         | -1.68        | -2.15        | 0.73         | -1.66           |                   |
| IM U.S. High Yield Bonds (SA+CF) Median         | -0.83        | 2.80          | 8.48        | 9.15        | 8.37       | 7.64        | 7.57         | 15.37        | 5.26         | 9.80            |                   |
| Rank  | 20           | 12            | 62          | 79          | N/A        | N/A         | 86           | 76           | 42           | 92              |                   |
| <b>Real Return Composite</b>                    | <b>0.00</b>  | <b>2.26</b>   | <b>1.04</b> | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>-4.45</b> | <b>5.58</b>  | <b>9.69</b>  | <b>3.59</b>     | <b>04/01/2010</b> |
| CPI + 3% (Blended)                              | 0.17         | 3.70          | 3.60        | 3.40        | 3.62       | 4.75        | 3.98         | 3.11         | 3.11         | 3.42            |                   |
| Difference                                      | -0.17        | -1.44         | -2.56       | N/A         | N/A        | N/A         | -8.43        | 2.47         | 6.58         | 0.17            |                   |
| <b>GAM Divergent (CF) (Lagged-1 Mo)</b>         | <b>3.04</b>  | <b>5.29</b>   | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>4.87</b>     | <b>12/01/2013</b> |
| BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo) | 0.75         | 3.05          | 3.07        | 3.09        | 3.44       | 4.61        | 3.08         | 3.10         | 3.13         | 3.05            |                   |
| Difference                                      | 2.29         | 2.24          | N/A         | N/A         | N/A        | N/A         | N/A          | N/A          | N/A          | 1.82            |                   |
| <b>Morgan Stanley AIP (CF) (Lagged-1 Mo)</b>    | <b>-0.71</b> | <b>N/A</b>    | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>0.66</b>     | <b>03/01/2014</b> |
| BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo) | 0.75         | 3.05          | 3.07        | 3.09        | 3.44       | 4.61        | 3.08         | 3.10         | 3.13         | 2.52            |                   |
| Difference                                      | -1.46        | N/A           | N/A         | N/A         | N/A        | N/A         | N/A          | N/A          | N/A          | -1.86           |                   |
| <b>Invesco Commodity (CF)</b>                   | <b>-7.39</b> | <b>-15.59</b> | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>-15.89</b>   | <b>09/01/2013</b> |
| Bloomberg Cmdty Index (TR)                      | -12.10       | -17.01        | -9.43       | -5.53       | -7.59      | -1.86       | -9.52        | -1.06        | -13.32       | -15.39          |                   |
| Difference                                      | 4.71         | 1.42          | N/A         | N/A         | N/A        | N/A         | N/A          | N/A          | N/A          | -0.50           |                   |
| <b>Hancock Timberland (CF) (Lagged-1 Mo)</b>    | <b>-1.88</b> | <b>N/A</b>    | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>-1.88</b>    | <b>04/01/2014</b> |
| NCREIF Timberland Index (Lagged-1 Mo)           | 1.47         | 10.40         | 7.38        | 3.58        | 5.19       | 8.29        | 9.68         | 2.25         | 0.26         | 4.23            |                   |
| Difference                                      | -3.35        | N/A           | N/A         | N/A         | N/A        | N/A         | N/A          | N/A          | N/A          | -6.11           |                   |
| <b>Molpus IV (CF) (Lagged-1 Mo)</b>             | <b>0.00</b>  | <b>N/A</b>    | <b>N/A</b>  | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>0.00</b>     | <b>10/01/2014</b> |
| NCREIF Timberland Index (Lagged-1 Mo)           | 1.47         | 10.40         | 7.38        | 3.58        | 5.19       | 8.29        | 9.68         | 2.25         | 0.26         | 1.47            |                   |
| Difference                                      | -1.47        | N/A           | N/A         | N/A         | N/A        | N/A         | N/A          | N/A          | N/A          | -1.47           |                   |
| <b>WAMCO (SA)</b>                               | <b>1.82</b>  | <b>9.13</b>   | <b>2.72</b> | <b>N/A</b>  | <b>N/A</b> | <b>N/A</b>  | <b>-5.73</b> | <b>5.36</b>  | <b>10.37</b> | <b>4.36</b>     | <b>05/01/2010</b> |
| Barclays Wrld Gov Infl-Lnkd Index (Hedged)      | 2.59         | 9.04          | 2.85        | 4.96        | 4.85       | 4.89        | -5.51        | 5.60         | 11.08        | 4.77            |                   |
| Difference                                      | -0.77        | 0.09          | -0.13       | N/A         | N/A        | N/A         | -0.22        | -0.24        | -0.71        | -0.41           |                   |

Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

**Water and Power Employees' Retirement Plan  
Comparative Performance - Health**

**As of December 31, 2014**

|                                | QTD          | 1<br>Year   | 3<br>Years | 5<br>Years | 7<br>Years | 10<br>Years | 2013         | 2012       | 2011       | Since<br>Incep. | Inception<br>Date |
|--------------------------------|--------------|-------------|------------|------------|------------|-------------|--------------|------------|------------|-----------------|-------------------|
| <b>Covered Calls Composite</b> | <b>0.20</b>  | <b>6.61</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>13.80</b> | <b>N/A</b> | <b>N/A</b> | <b>9.64</b>     | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | 1.02         | 0.97        | N/A        | N/A        | N/A        | N/A         | 0.54         | N/A        | N/A        | 0.78            |                   |
| <b>Gateway - Passive (SA)</b>  | <b>-0.86</b> | <b>5.37</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>13.51</b> | <b>N/A</b> | <b>N/A</b> | <b>8.79</b>     | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | -0.04        | -0.27       | N/A        | N/A        | N/A        | N/A         | 0.25         | N/A        | N/A        | -0.07           |                   |
| <b>Gateway - Active (SA)</b>   | <b>1.24</b>  | <b>7.84</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b> | <b>N/A</b>  | <b>14.95</b> | <b>N/A</b> | <b>N/A</b> | <b>11.56</b>    | <b>06/01/2012</b> |
| CBOE S&P 500 BuyWrite Index    | -0.82        | 5.64        | N/A        | N/A        | N/A        | N/A         | 13.26        | N/A        | N/A        | 8.86            |                   |
| Difference                     | 2.06         | 2.20        | N/A        | N/A        | N/A        | N/A         | 1.69         | N/A        | N/A        | 2.70            |                   |

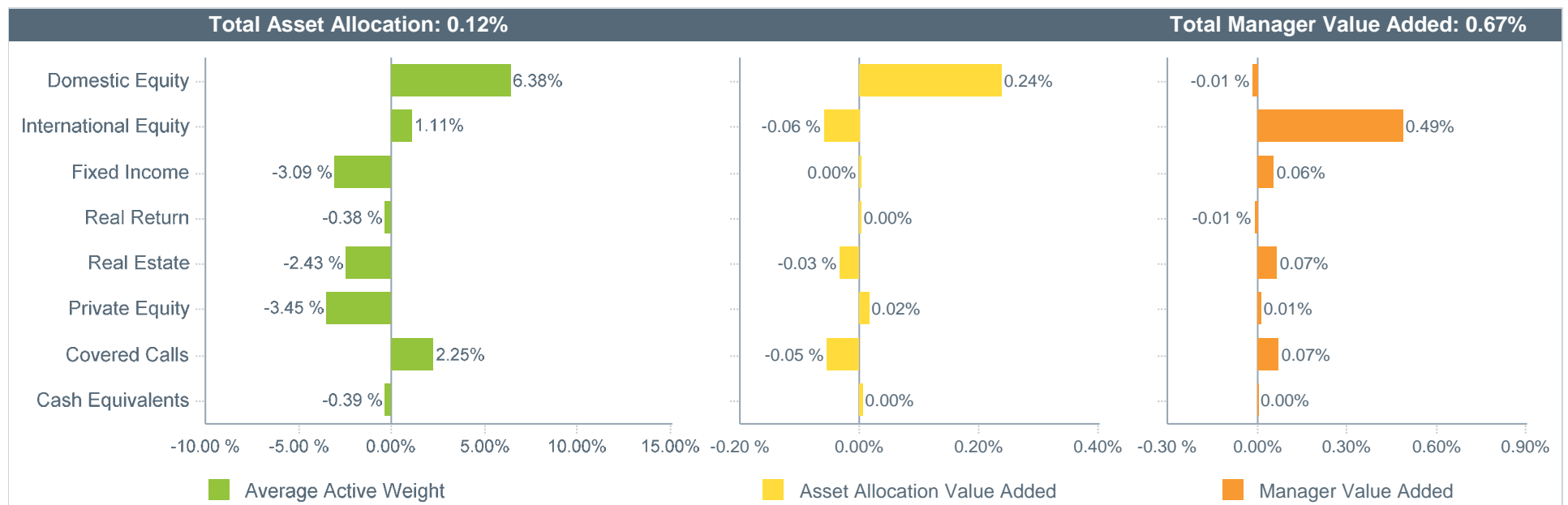
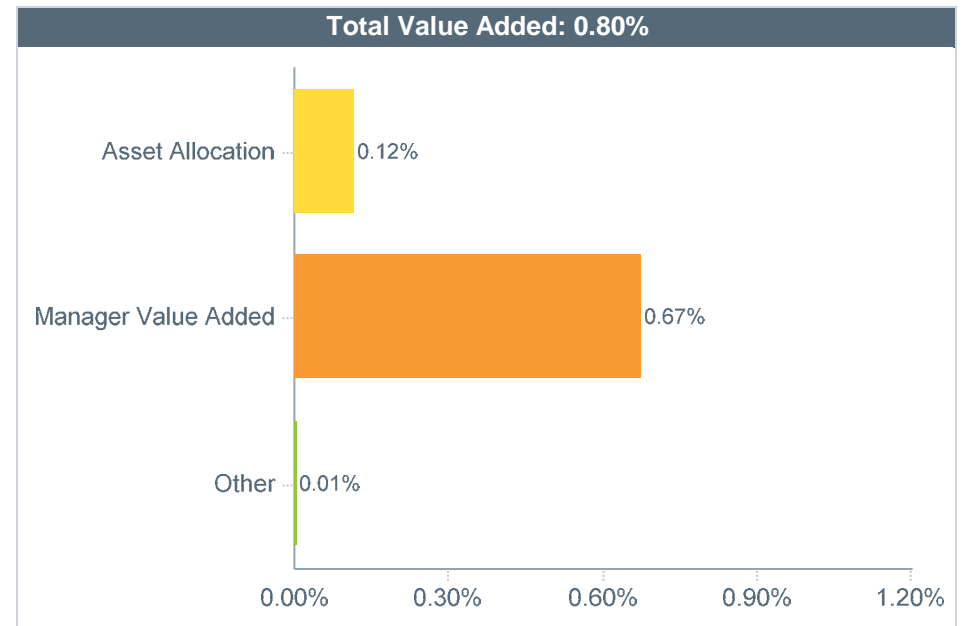
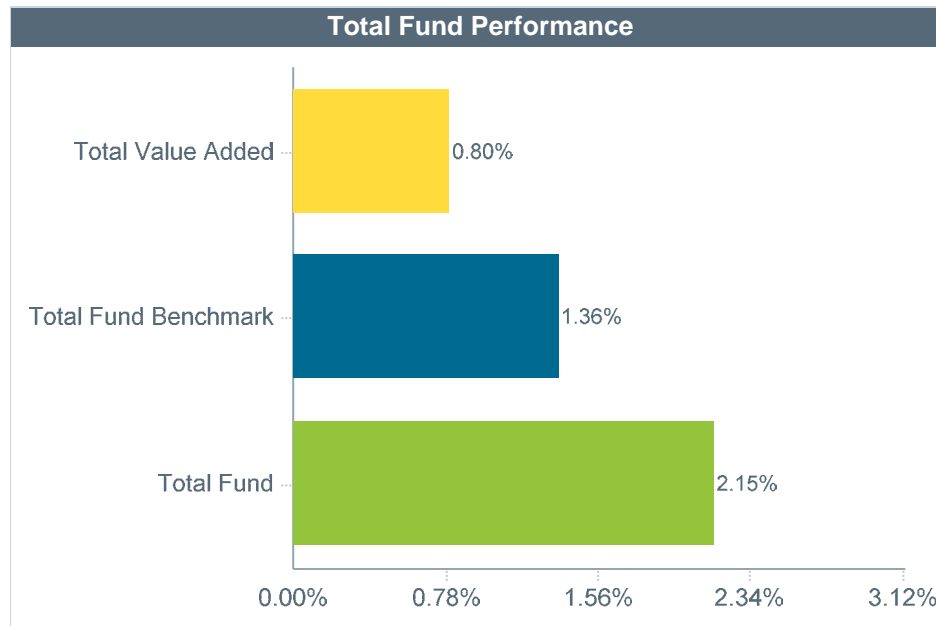
Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees. Performance is annualized for periods greater than one year. Inception dates shown represent the first full month following initial funding. Please see the Addendum for custom index descriptions.

|                             | Market Value         | % of<br>Alt. Inv. Group | % of<br>Total Fund | Inception<br>IRR | Inception<br>Date |
|-----------------------------|----------------------|-------------------------|--------------------|------------------|-------------------|
| <b>Private Equity</b>       | <b>\$ 28,515,284</b> | <b>40.17%</b>           | <b>1.74%</b>       | <b>16.83%</b>    | <b>Aug-09</b>     |
| Apollo VIII                 | \$ 482,889           | 0.68%                   | 0.03%              | 16.00%           | Feb-14            |
| Ares IV                     | \$ 2,677,899         | 3.77%                   | 0.16%              | 14.26%           | Nov-12            |
| Audax III V                 | \$ 1,466,908         | 2.07%                   | 0.09%              | 11.29%           | Jan-11            |
| Clayton, Dubilier & Rice IX | \$ 1,960,141         | 2.76%                   | 0.12%              | 1.71%            | May-14            |
| EnCap VIII                  | \$ 1,971,618         | 2.78%                   | 0.12%              | 20.70%           | Jan-11            |
| EnCap IX                    | \$ 1,088,031         | 1.53%                   | 0.07%              | 30.57%           | Jan-13            |
| Landmark XIV                | \$ 3,258,212         | 4.59%                   | 0.20%              | 19.24%           | Sep-08            |
| Landmark XV                 | \$ 1,900,844         | 2.68%                   | 0.12%              | 37.97%           | Mar-14            |
| Lexington VII               | \$ 3,145,143         | 4.43%                   | 0.19%              | 20.16%           | Nov-09            |
| Oaktree PF V                | \$ 2,007,791         | 2.83%                   | 0.12%              | 11.62%           | Jan-09            |
| Silver Lake IV              | \$ 859,205           | 1.21%                   | 0.05%              | 64.78%           | Oct-13            |
| Vista IV                    | \$ 4,617,183         | 6.50%                   | 0.28%              | 12.76%           | Oct-11            |
| Vista V                     | \$ 3,079,420         | 4.34%                   | 0.19%              | -10.27%          | May-14            |
| <b>Real Estate</b>          | <b>\$ 42,471,336</b> | <b>59.83%</b>           | <b>2.60%</b>       | <b>14.74%</b>    | <b>Jan-10</b>     |
| AG Core Plus III            | \$ 1,614,801         | 2.27%                   | 0.10%              | 18.51%           | Jan-12            |
| Almanac VI                  | \$ 464,336           | 0.65%                   | 0.03%              | 13.56%           | Jun-12            |
| BREP Europe IV              | \$ 2,289,558         | 3.23%                   | 0.14%              | 6.14%            | Jan-14            |
| BREP VII                    | \$ 4,947,291         | 6.97%                   | 0.30%              | 28.54%           | Jun-12            |
| Bristol Value II            | \$ 1,293,898         | 1.82%                   | 0.08%              | 7.82%            | Nov-12            |
| DFA Global REIT             | \$ 5,317,905         | 7.49%                   | 0.33%              | 12.34%           | Mar-13            |
| DRA G&I VII                 | \$ 3,037,097         | 4.28%                   | 0.19%              | 16.65%           | Oct-11            |
| DRA G&I VIII                | \$ 854,308           | 1.20%                   | 0.05%              | 1.27%            | Sep-14            |
| Heitman REIT                | \$ 5,140,068         | 7.24%                   | 0.31%              | 22.42%           | Oct-13            |
| Invesco Core RE             | \$ 6,751,567         | 9.51%                   | 0.41%              | 10.07%           | Jun-11            |
| Lone Star II                | \$ 279,591           | 0.39%                   | 0.02%              | 23.21%           | May-11            |
| Lone Star VII               | \$ 264,258           | 0.37%                   | 0.02%              | 52.48%           | May-11            |
| Mesa West II                | \$ 633,590           | 0.89%                   | 0.04%              | 17.31%           | Jan-10            |
| Mesa West III               | \$ 2,192,856         | 3.09%                   | 0.13%              | 8.01%            | Sep-13            |
| PCCP First Meeting II       | \$ 3,397,641         | 4.79%                   | 0.21%              | 6.90%            | Jun-12            |
| Torchlight Debt Opp IV      | \$ 3,992,571         | 5.62%                   | 0.24%              | 8.22%            | Jul-13            |

Market values and performance were provided by Northern Trust.

Water and Power Employees' Retirement Plan  
Total Fund Composite (Health) vs. Health Policy Benchmark  
Total Fund Attribution - Health

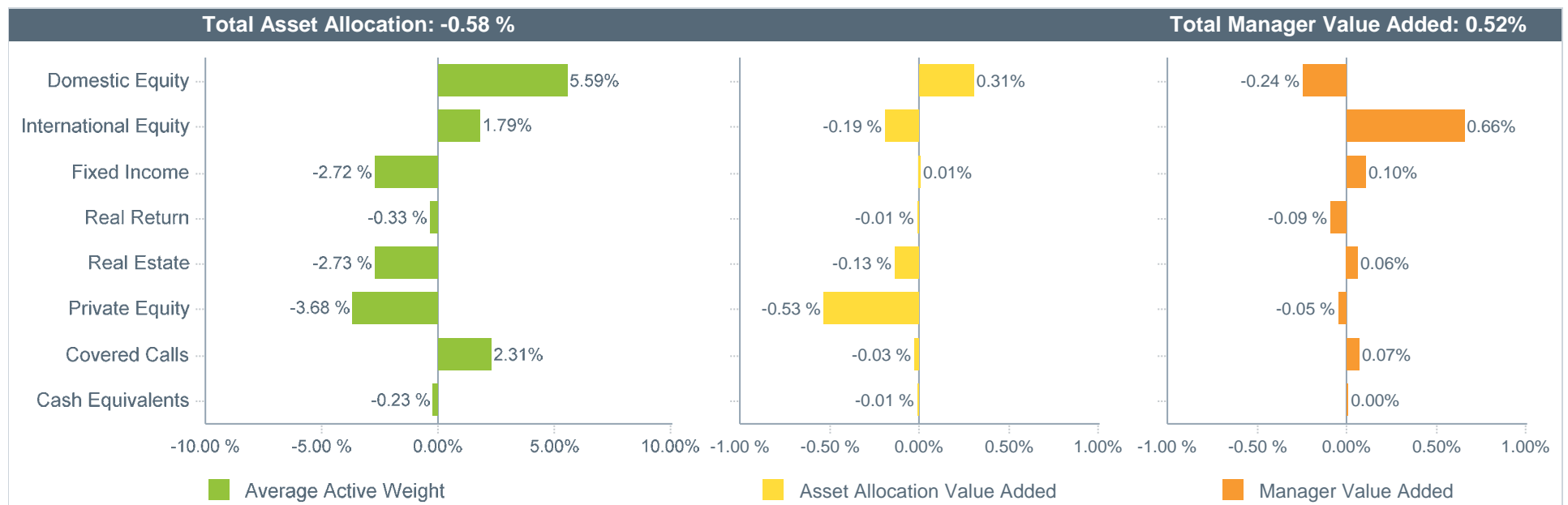
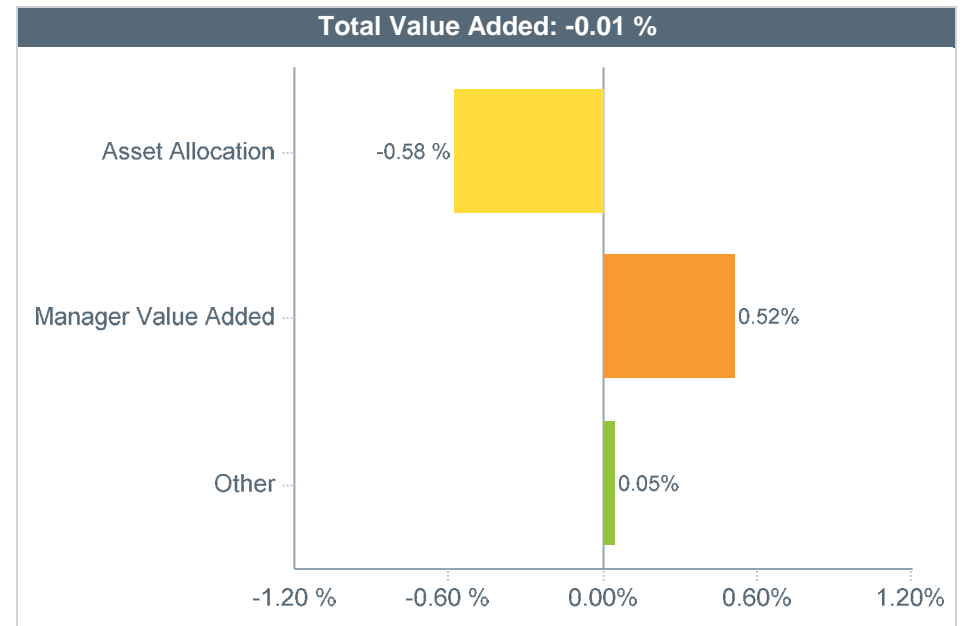
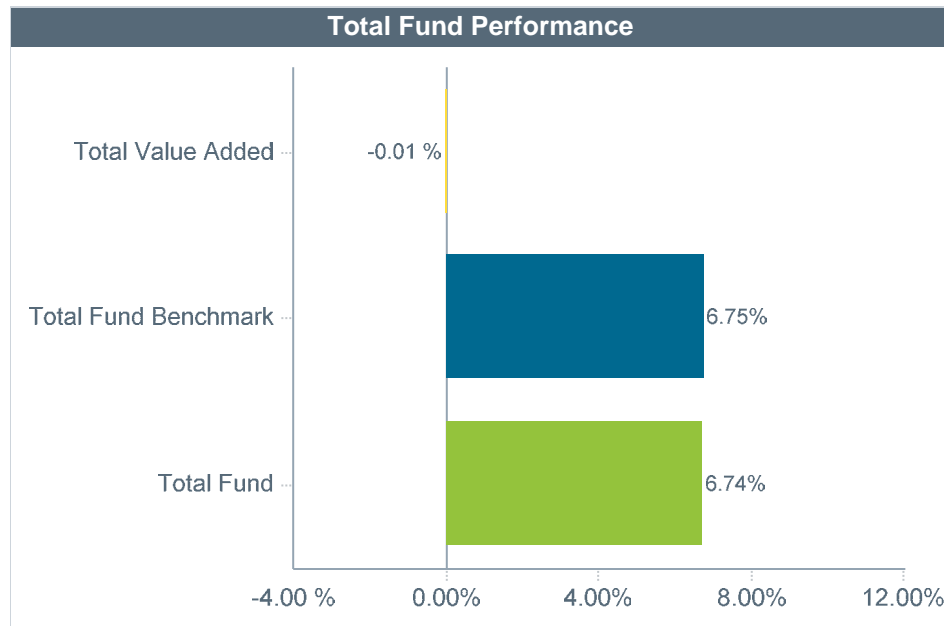
1 Quarter Ending December 31, 2014



Performance shown is gross of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution calculation.

Water and Power Employees' Retirement Plan  
Total Fund Composite (Health) vs. Health Policy Benchmark  
Total Fund Attribution - Health

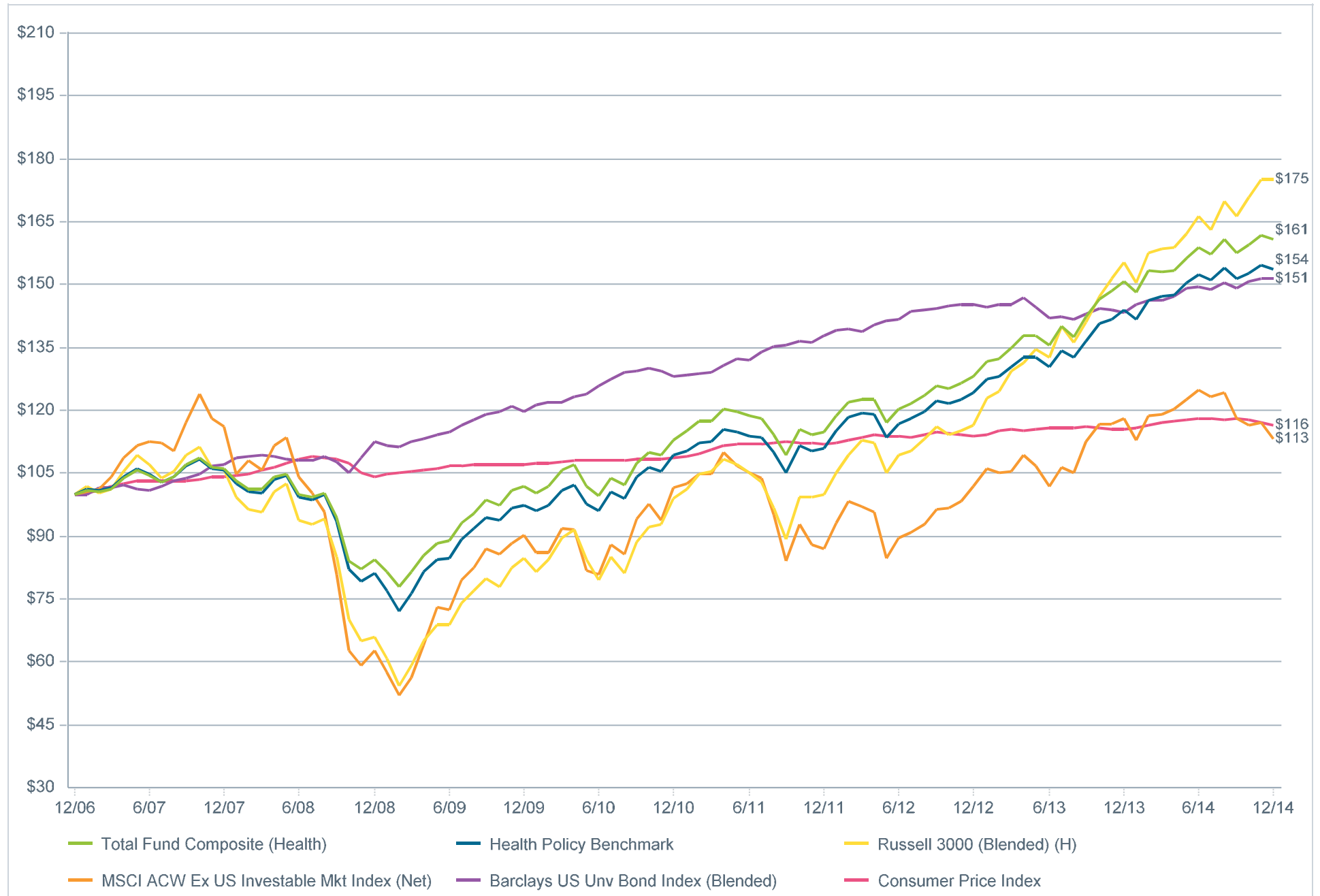
1 Year Ending December 31, 2014



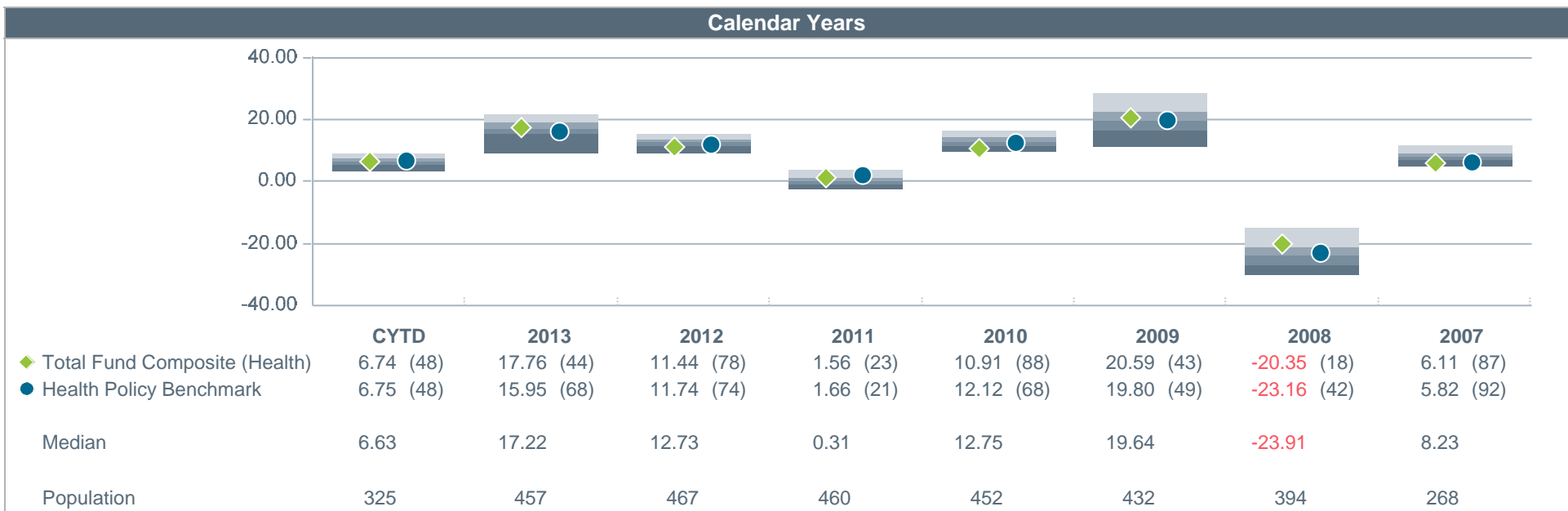
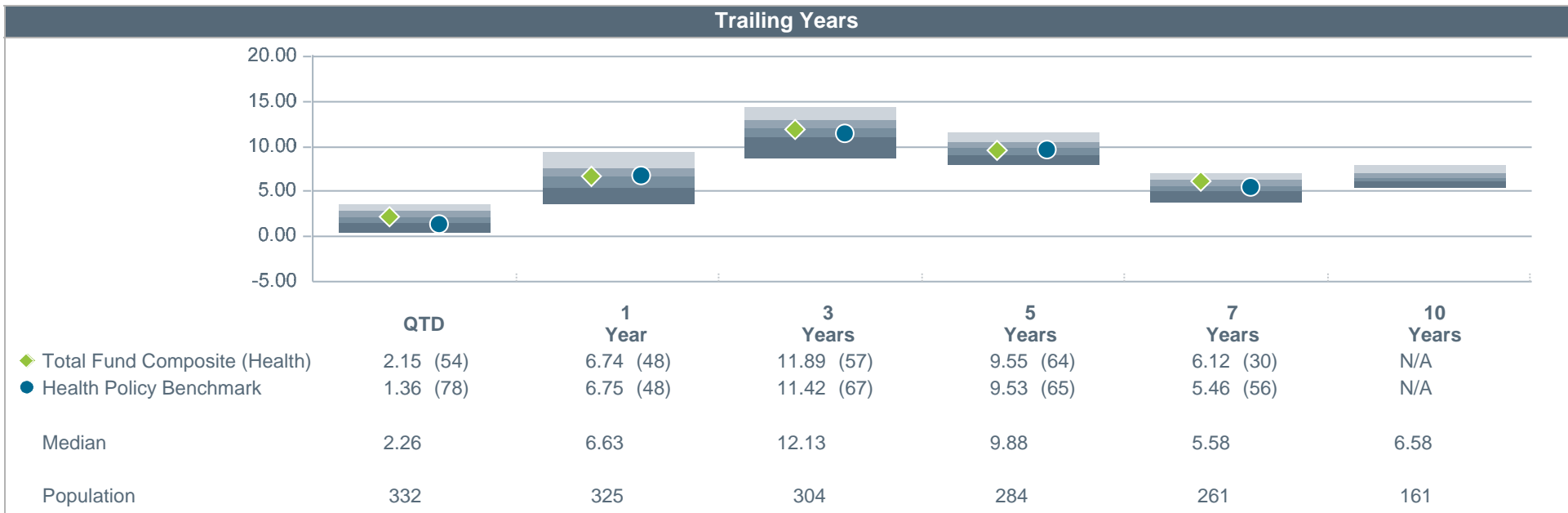
Performance shown is gross of fees. Calculation is based on monthly periodicity. See Glossary for additional information regarding the Total Fund Attribution calculation.

**Water and Power Employees' Retirement Plan**  
**Growth of \$100 - Health**

Since Inception Ending December 31, 2014



Calculation is based on monthly periodicity.

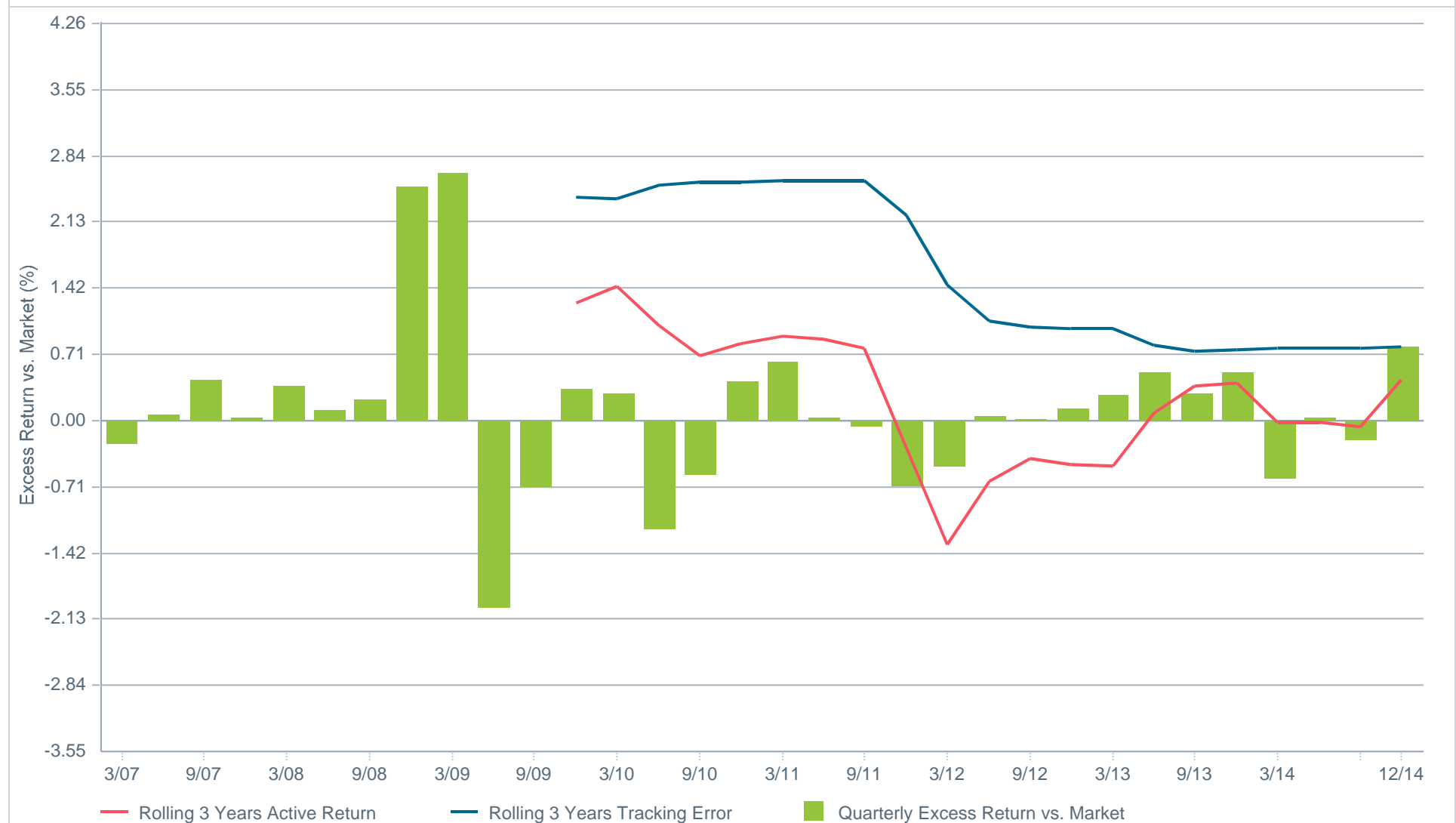


Performance shown is gross of fees.

Water and Power Employees' Retirement Plan  
Total Fund Composite (Health) vs. Health Policy Benchmark  
Comparative Performance & Rolling Return - Health

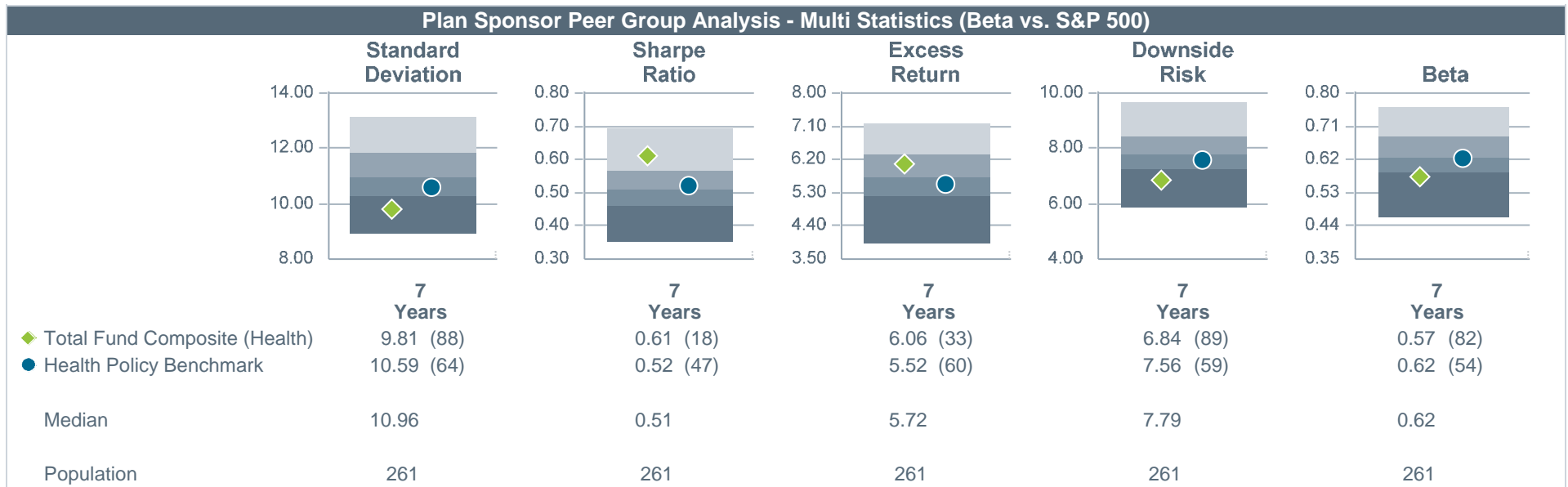
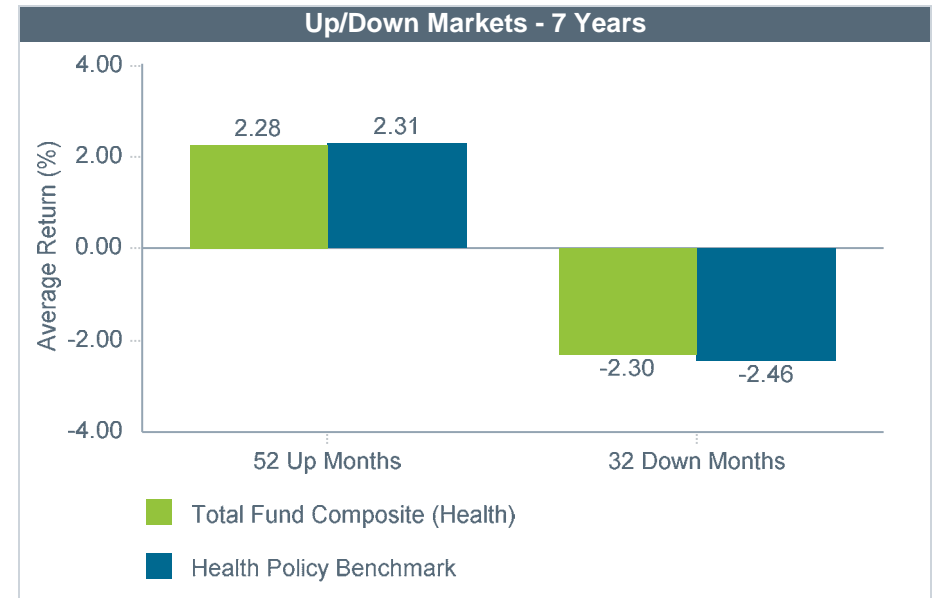
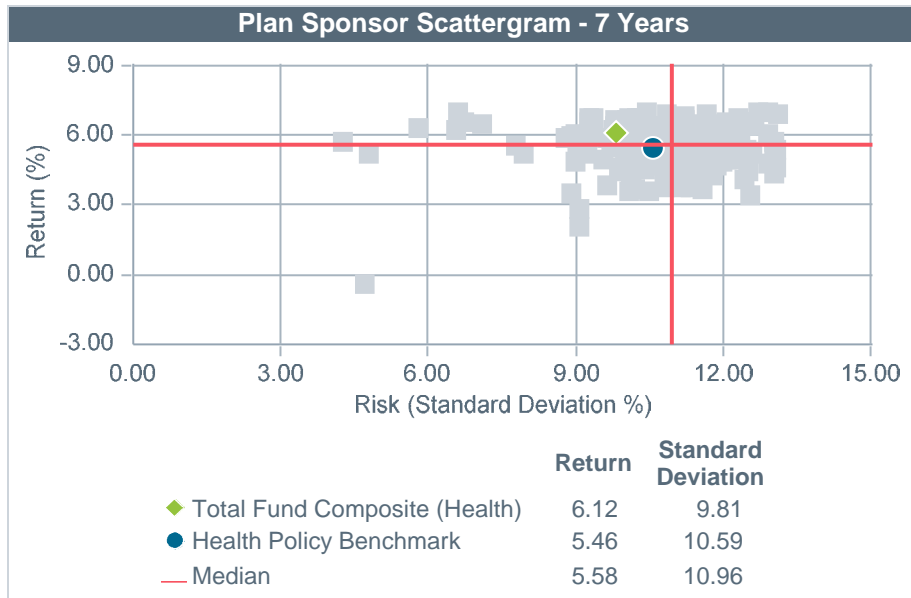
As of December 31, 2014

|                               | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
|-------------------------------|------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
| Total Fund Composite (Health) | 2.15 | 6.74   | 11.89   | 9.55    | 6.12    | N/A      | 17.76 | 11.44 | 1.56  | 10.91 | 20.59 |
| Health Policy Benchmark       | 1.36 | 6.75   | 11.42   | 9.53    | 5.46    | N/A      | 15.95 | 11.74 | 1.66  | 12.12 | 19.80 |
| Difference                    | 0.79 | -0.01  | 0.47    | 0.02    | 0.66    | N/A      | 1.81  | -0.30 | -0.10 | -1.21 | 0.79  |



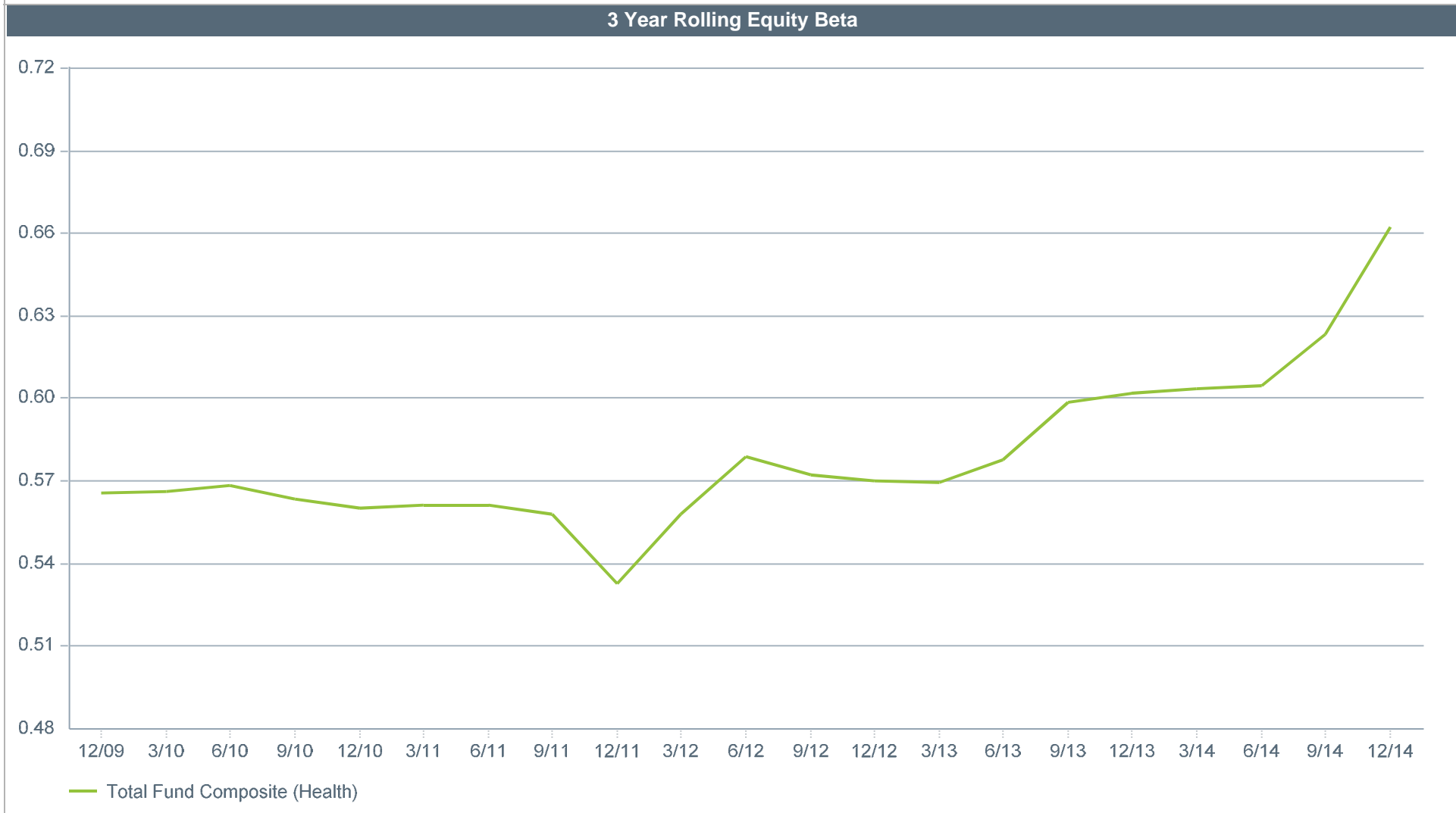
Performance shown is gross of fees. Calculation is based on quarterly periodicity.





Performance shown is gross of fees. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.

| Equity Beta                   |           |            |            |            |             |                 |                   |
|-------------------------------|-----------|------------|------------|------------|-------------|-----------------|-------------------|
|                               | 1<br>Year | 3<br>Years | 5<br>Years | 7<br>Years | 10<br>Years | Since<br>Incep. | Inception<br>Date |
| Total Fund Composite (Health) | 0.69      | 0.66       | 0.59       | 0.57       | N/A         | 0.57            | 01/01/2007        |
| S&P 500 Index (Cap Wtd)       | 1.00      | 1.00       | 1.00       | 1.00       | 1.00        | 1.00            |                   |



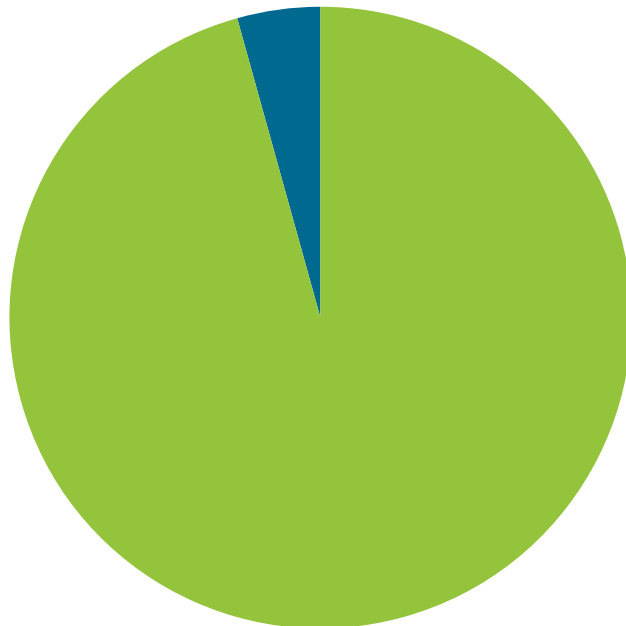
Performance shown is gross of fees. The objective of the Total Fund Beta is to measure the aggregate level of non-diversifiable or systematic equity risk exposure of the Water and Power Employees' Retirement Plan - Health. The Total Fund Beta is calculated using the S&P 500 Index (Cap Wtd) as the benchmark and is based on monthly periodicity. It represents a measure of the sensitivity of the total fund to movements of the S&P 500 Index (Cap Wtd) over the preceding three year period.

Water and Power Employees' Retirement Plan  
Asset Allocation by Manager and Comparative Performance - Death

As of December 31, 2014

Asset Allocation by Manager

December 31, 2014 : \$28,298,841



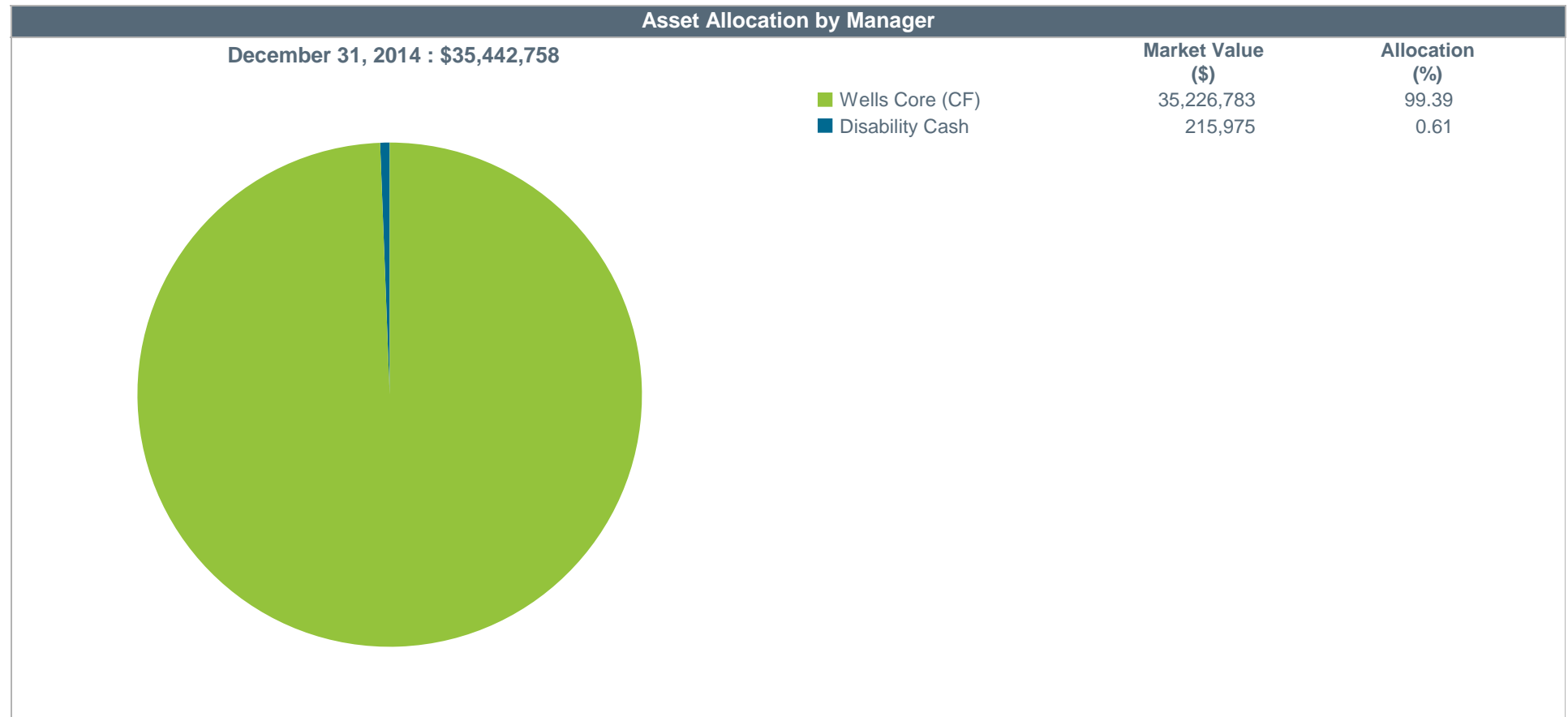
■ Wells Core (CF)  
■ Death Cash

| Market Value (\$) | Allocation (%) |
|-------------------|----------------|
| 27,077,764        | 95.69          |
| 1,221,077         | 4.31           |

Comparative Performance

|                                     | QTD         | 1 Year      | 3 Years     | 5 Years     | 7 Years     | 10 Years    | 2013         | 2012        | 2011        | Since Incep. | Inception Date    |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|-------------------|
| <b>Total Fund Composite (Death)</b> | <b>1.77</b> | <b>6.06</b> | <b>3.63</b> | <b>5.14</b> | <b>5.61</b> | <b>5.49</b> | <b>-1.67</b> | <b>6.71</b> | <b>8.66</b> | <b>5.88</b>  | <b>12/01/1995</b> |
| Death Policy Benchmark              | 1.72        | 5.72        | 2.56        | 4.27        | 4.59        | 4.58        | -1.94        | 4.05        | 7.52        | 5.53         |                   |
| Difference                          | 0.05        | 0.34        | 1.07        | 0.87        | 1.02        | 0.91        | 0.27         | 2.66        | 1.14        | 0.35         |                   |
| <b>Wells Core (CF)</b>              | <b>1.85</b> | <b>6.18</b> | <b>3.72</b> | <b>5.68</b> | <b>6.24</b> | <b>5.87</b> | <b>-1.73</b> | <b>6.94</b> | <b>9.10</b> | <b>5.91</b>  | <b>07/01/2004</b> |
| Barclays US Agg Bond Index          | 1.79        | 5.97        | 2.66        | 4.45        | 4.77        | 4.71        | -2.02        | 4.21        | 7.84        | 4.89         |                   |
| Difference                          | 0.06        | 0.21        | 1.06        | 1.23        | 1.47        | 1.16        | 0.29         | 2.73        | 1.26        | 1.02         |                   |

Allocations shown may not sum up to 100% exactly due to rounding. Performance shown is gross of fees. Performance is annualized for periods greater than one year. RVK endorses GIPS and calculates performance for composites and investment managers using different methodologies. For additional information, please see the Glossary. Please see the Addendum for custom index descriptions.



| Comparative Performance                  |             |             |             |             |             |             |              |             |             |              |                   |
|--|-------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|-------------------|
|  | QTD         | 1 Year      | 3 Years     | 5 Years     | 7 Years     | 10 Years    | 2013         | 2012        | 2011        | Since Incep. | Inception Date    |
| <b>Total Fund Composite (Disability)</b> | <b>1.84</b> | <b>6.14</b> | <b>3.69</b> | <b>5.45</b> | <b>5.85</b> | <b>5.54</b> | <b>-1.68</b> | <b>6.82</b> | <b>8.96</b> | <b>6.27</b>  | <b>12/01/1995</b> |
| Disability Policy Benchmark              | 1.70        | 5.66        | 2.53        | 4.23        | 4.55        | 4.55        | -1.92        | 4.00        | 7.44        | 5.49         |                   |
| Difference                               | 0.14        | 0.48        | 1.16        | 1.22        | 1.30        | 0.99        | 0.24         | 2.82        | 1.52        | 0.78         |                   |
| <b>Wells Core (CF)</b>                   | <b>1.86</b> | <b>6.19</b> | <b>3.72</b> | <b>5.69</b> | <b>6.24</b> | <b>5.80</b> | <b>-1.73</b> | <b>6.92</b> | <b>9.12</b> | <b>5.51</b>  | <b>07/01/2004</b> |
| Barclays US Agg Bond Index               | 1.79        | 5.97        | 2.66        | 4.45        | 4.77        | 4.71        | -2.02        | 4.21        | 7.84        | 4.89         |                   |
| Difference                               | 0.07        | 0.22        | 1.06        | 1.24        | 1.47        | 1.09        | 0.29         | 2.71        | 1.28        | 0.62         |                   |

Allocations shown may not sum up to 100% exactly due to rounding. Performance shown is gross of fees. Performance is annualized for periods greater than one year. RVK endorses GIPS and calculates performance for composites and investment managers using different methodologies. For additional information, please see the Glossary. Please see the Addendum for custom index descriptions.

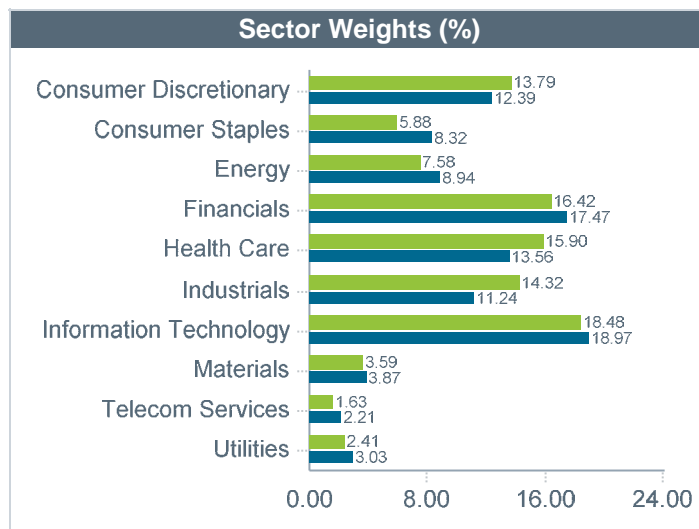
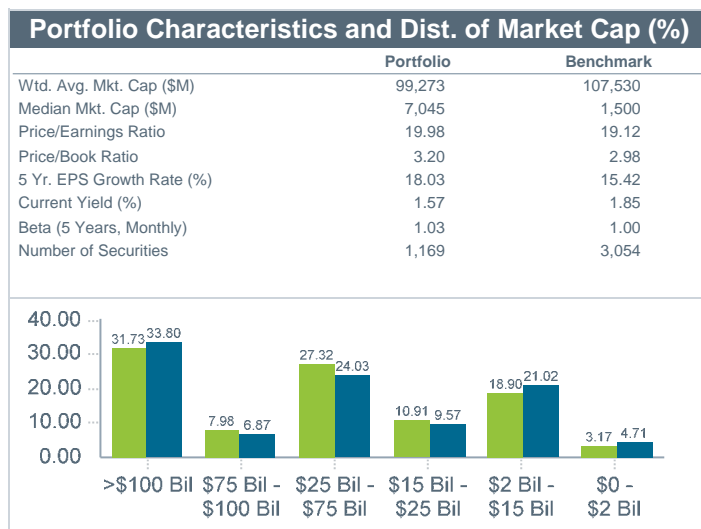
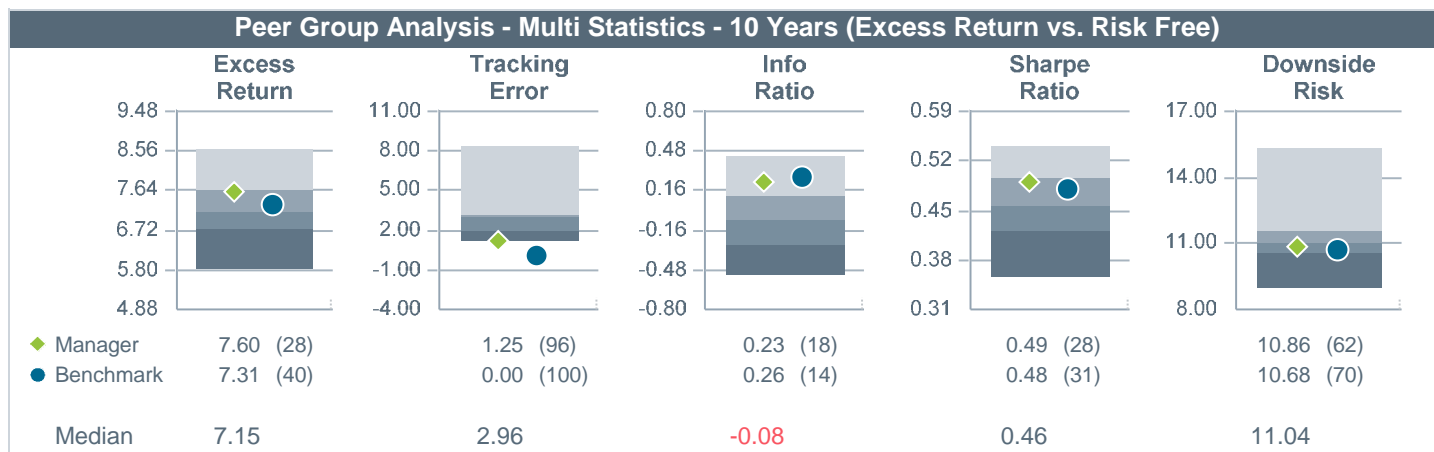
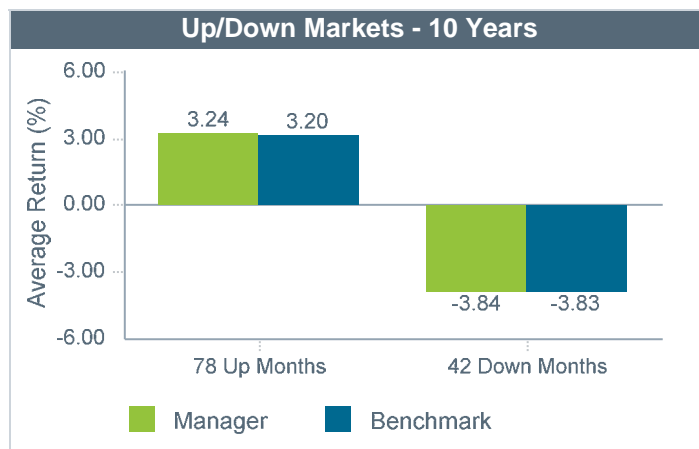
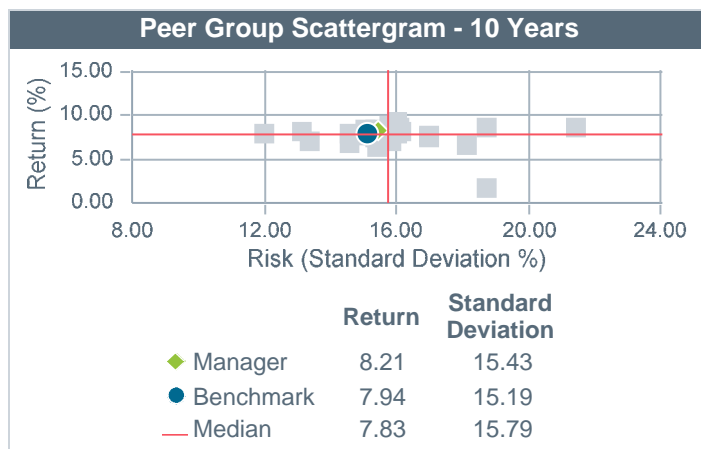
**Manager: Domestic Equity Composite - Retirement**

As of December 31, 2014

**Benchmark:** R 3000 Index (Blended) (R)

**Peer Group:** All Public Plans-US Equity Segment

| Performance       |             |              |              |              |             |             |              |              |              |              |              |
|-------------------|-------------|--------------|--------------|--------------|-------------|-------------|--------------|--------------|--------------|--------------|--------------|
|                   | QTD         | 1 Year       | 3 Years      | 5 Years      | 7 Years     | 10 Years    | 2013         | 2012         | 2011         | 2010         | 2009         |
| <b>Manager</b>    | <b>5.20</b> | <b>11.82</b> | <b>21.46</b> | <b>15.58</b> | <b>7.40</b> | <b>8.21</b> | <b>36.97</b> | <b>17.00</b> | <b>-0.73</b> | <b>15.94</b> | <b>30.09</b> |
| Benchmark         | 5.24        | 12.55        | 20.51        | 15.63        | 7.54        | 7.94        | 33.55        | 16.42        | 1.03         | 16.93        | 28.34        |
| Difference        | -0.04       | -0.73        | 0.95         | -0.05        | -0.14       | 0.27        | 3.42         | 0.58         | -1.76        | -0.99        | 1.75         |
| Peer Group Median | 5.27        | 11.41        | 20.15        | 15.64        | 7.35        | 7.83        | 34.03        | 16.52        | 0.52         | 18.09        | 28.81        |
| Rank              | 54          | 36           | 8            | 53           | 44          | 27          | 7            | 33           | 72           | 86           | 34           |



Performance shown is gross of fees. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.



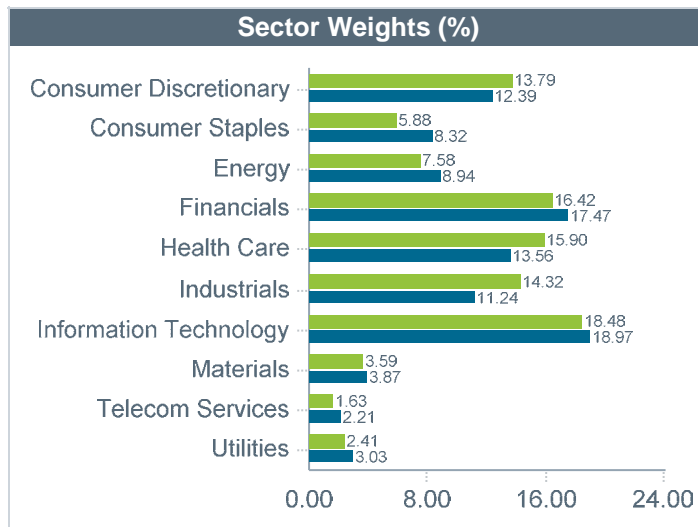
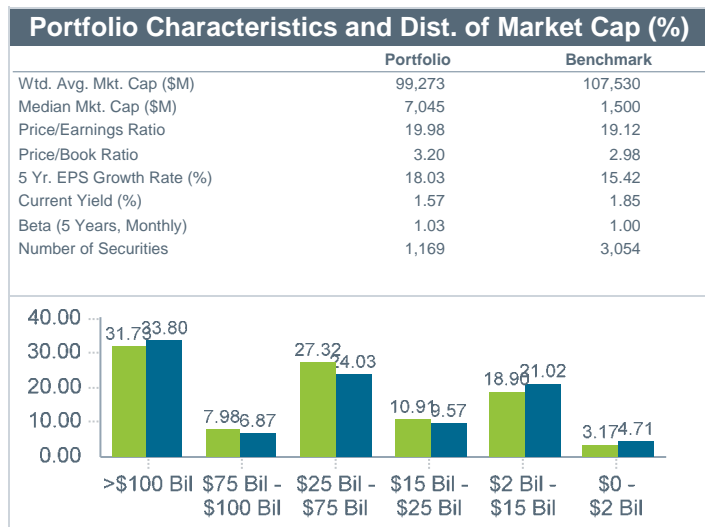
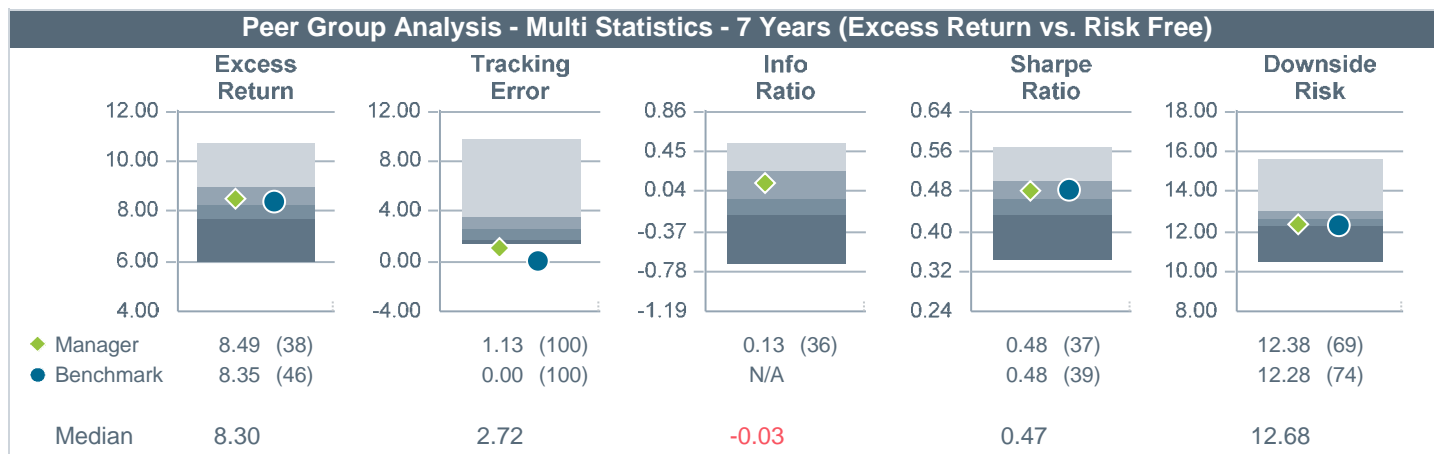
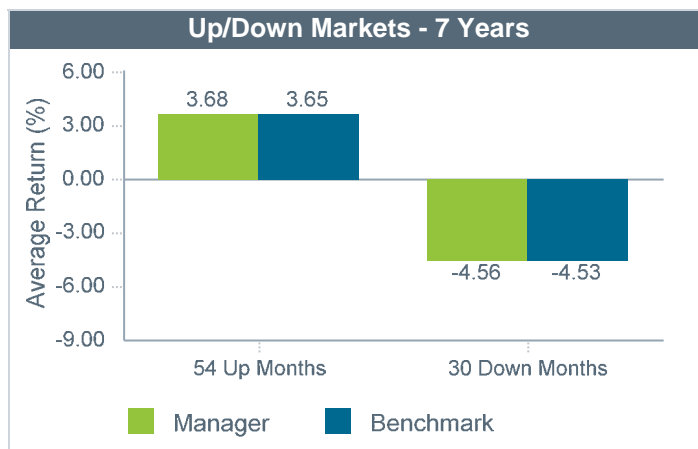
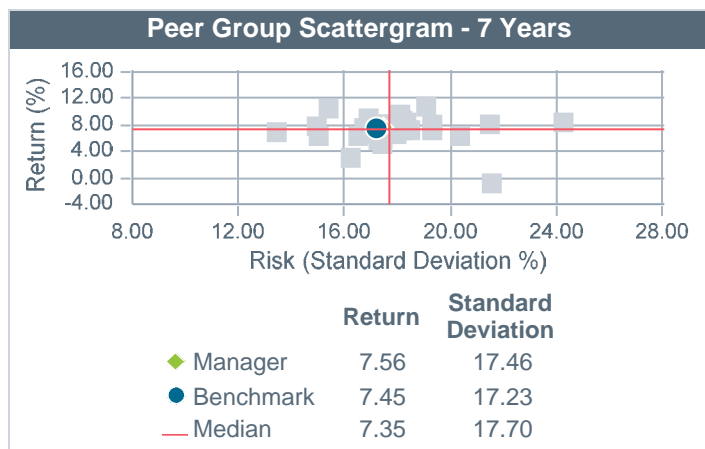
**Manager: Domestic Equity Composite - Health**

As of December 31, 2014

**Benchmark:** Russell 3000 (Blended) (H)

**Peer Group:** All Public Plans-US Equity Segment

| Performance       |       |        |         |         |         |          |       |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 5.20  | 11.88  | 21.45   | 15.78   | 7.56    | N/A      | 36.87 | 16.98 | -0.22 | 16.42 | 27.88 |
| Benchmark         | 5.24  | 12.55  | 20.51   | 15.63   | 7.45    | 7.94     | 33.55 | 16.42 | 1.03  | 16.93 | 28.22 |
| Difference        | -0.04 | -0.67  | 0.94    | 0.15    | 0.11    | N/A      | 3.32  | 0.56  | -1.25 | -0.51 | -0.34 |
| Peer Group Median | 5.27  | 11.41  | 20.15   | 15.64   | 7.35    | 7.83     | 34.03 | 16.52 | 0.52  | 18.09 | 28.81 |
| Rank              | 53    | 35     | 8       | 38      | 39      | N/A      | 8     | 34    | 66    | 78    | 66    |



Performance shown is gross of fees. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.



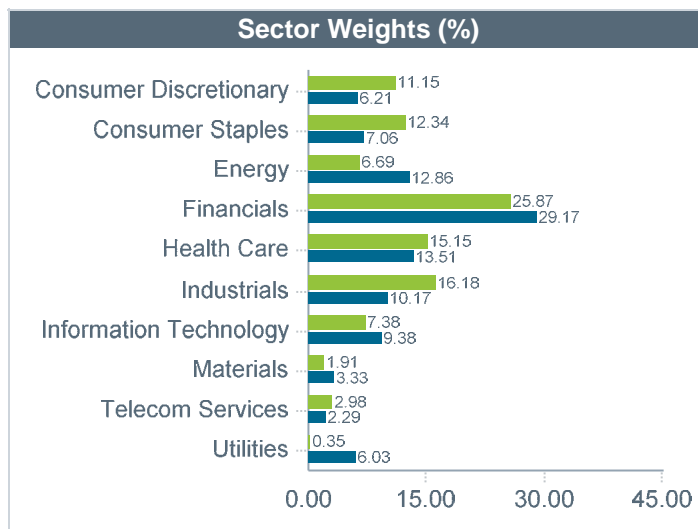
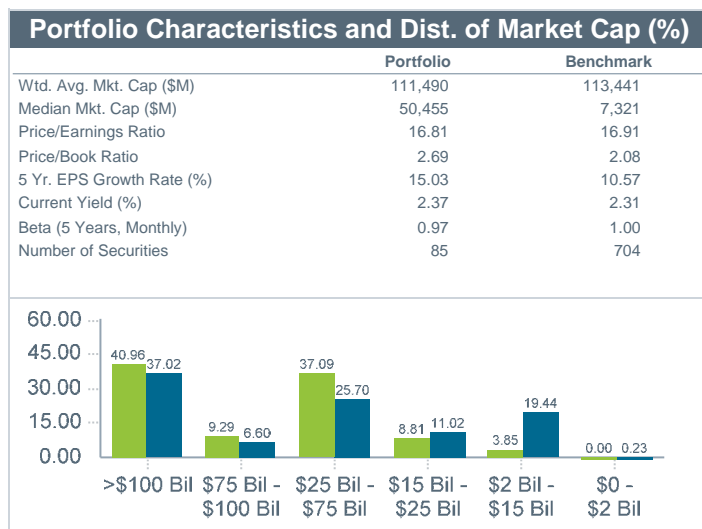
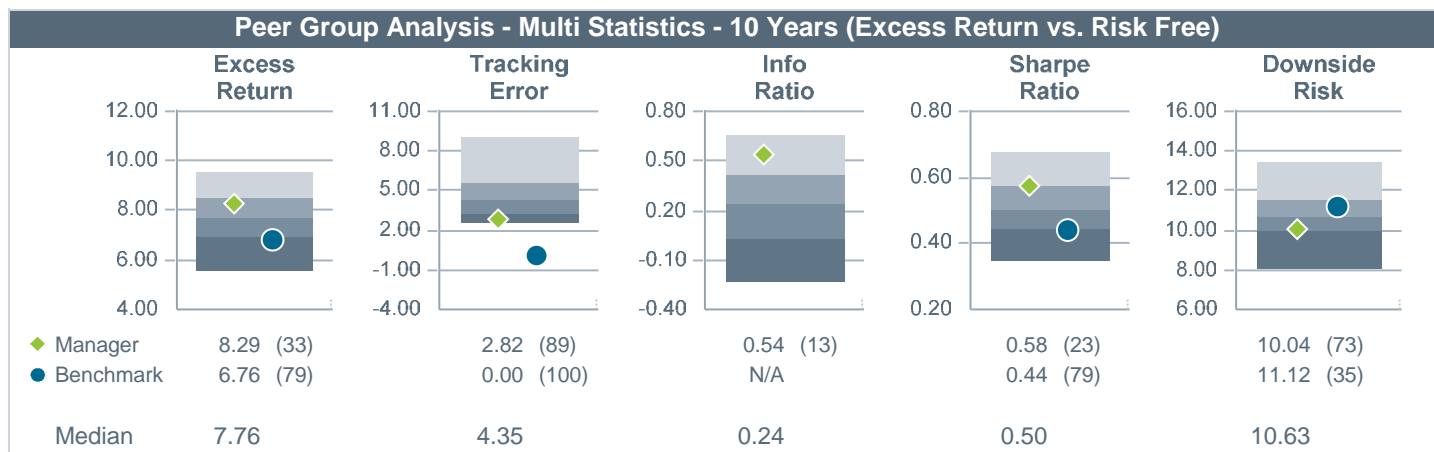
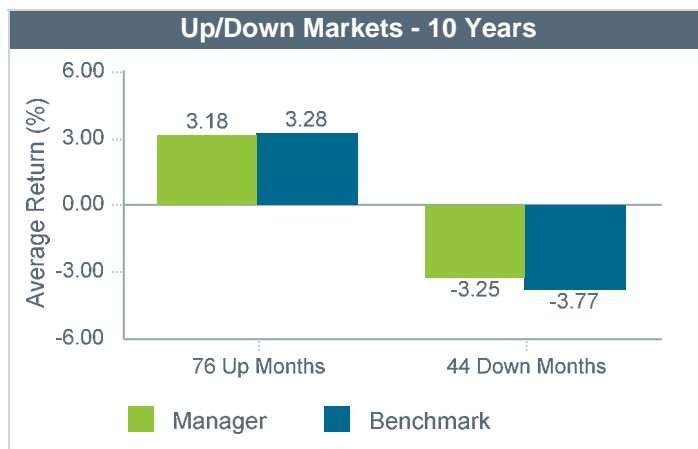
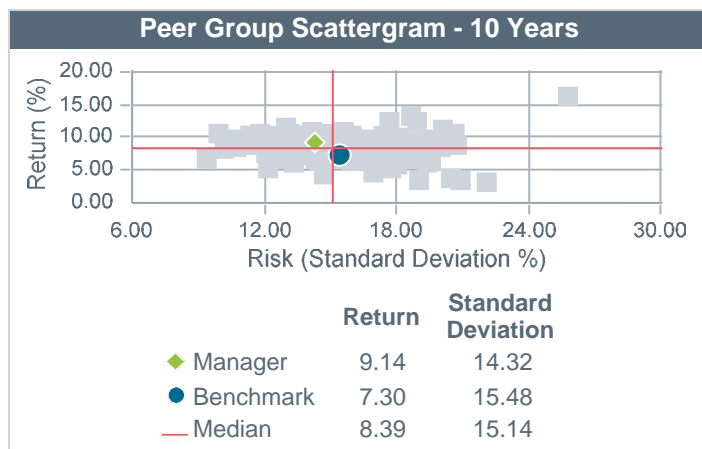
Manager: MFS Large Cap Value (SA)

As of December 31, 2014

Benchmark: R 1000 Value Index

Peer Group: IM U.S. Large Cap Value Equity (SA+CF)

| Performance       |      |        |         |         |         |          |       |       |      |       |       |
|-------------------|------|--------|---------|---------|---------|----------|-------|-------|------|-------|-------|
|                   | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011 | 2010  | 2009  |
| Manager           | 6.20 | 11.86  | 21.21   | 15.11   | 7.60    | 9.14     | 36.41 | 16.69 | 0.76 | 12.63 | 20.68 |
| Benchmark         | 4.98 | 13.45  | 20.89   | 15.42   | 6.45    | 7.30     | 32.53 | 17.50 | 0.39 | 15.51 | 19.69 |
| Difference        | 1.22 | -1.59  | 0.32    | -0.31   | 1.15    | 1.84     | 3.88  | -0.81 | 0.37 | -2.88 | 0.99  |
| Peer Group Median | 4.47 | 12.12  | 20.35   | 15.25   | 7.49    | 8.39     | 34.32 | 15.75 | 0.47 | 14.55 | 25.36 |
| Rank              | 15   | 55     | 38      | 54      | 47      | 28       | 35    | 40    | 47   | 77    | 77    |

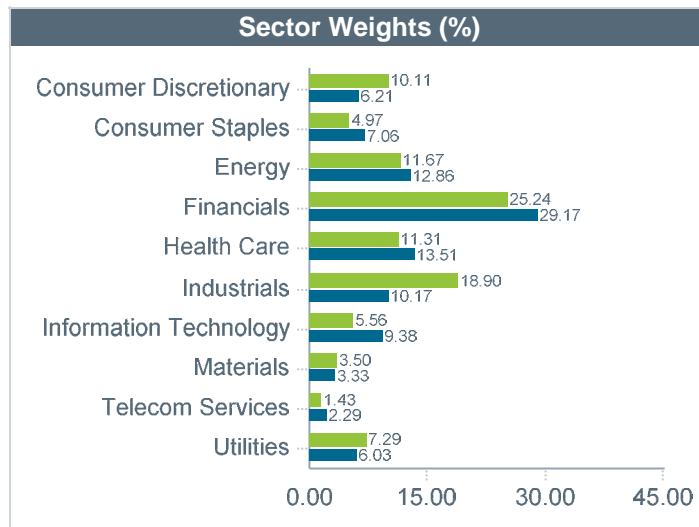
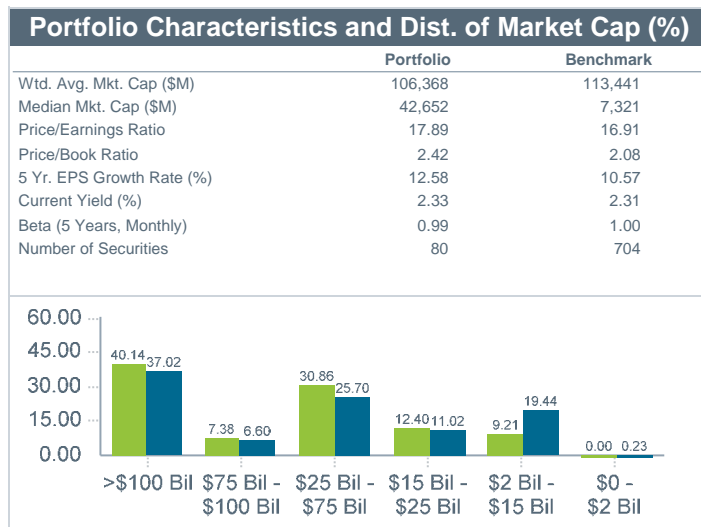
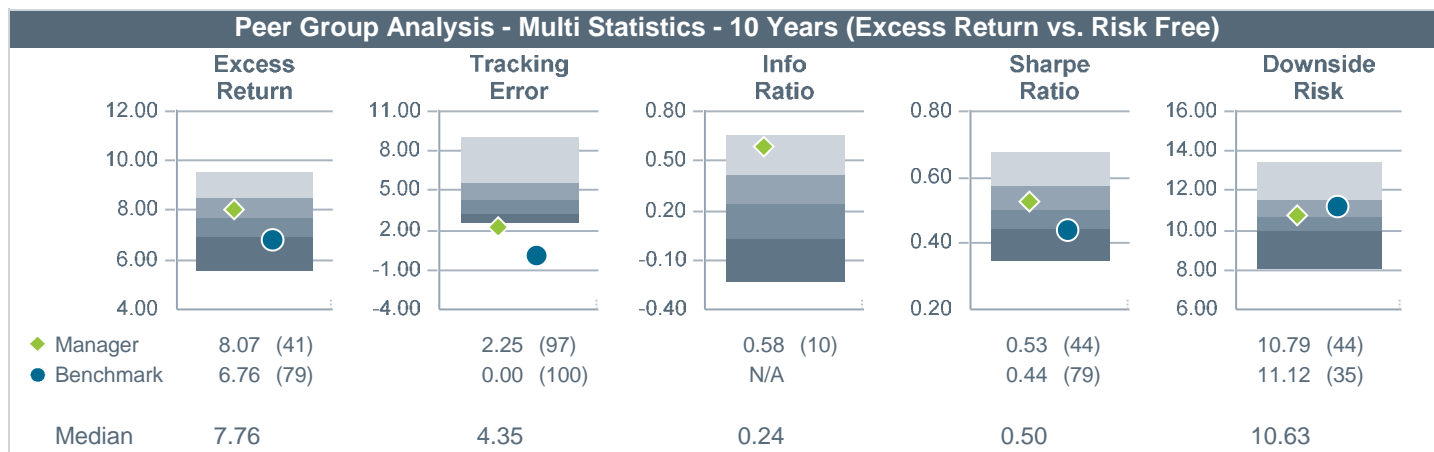
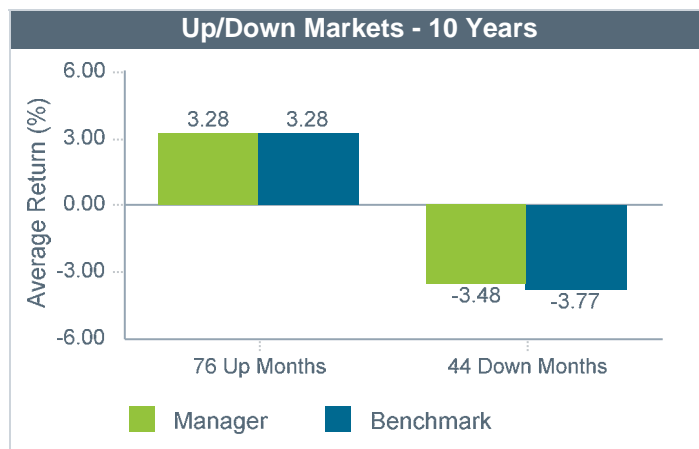
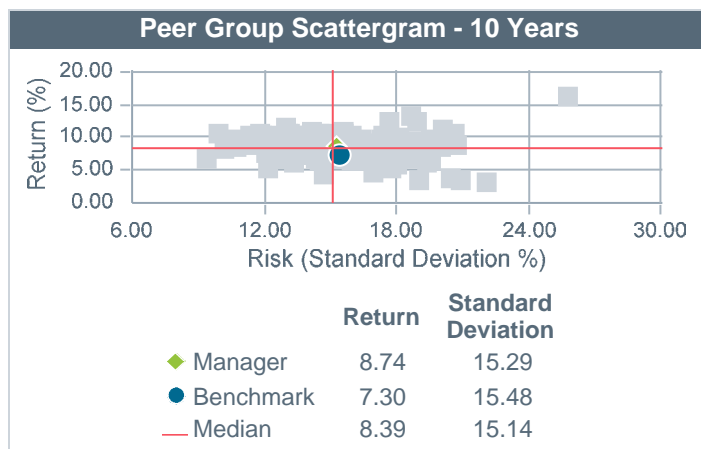


Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

**Manager:** T. Rowe Price Large Cap Value (SA)  
**Benchmark:** R 1000 Value Index  
**Peer Group:** IM U.S. Large Cap Value Equity (SA+CF)

As of December 31, 2014

| Performance       |       |        |         |         |         |          |       |       |      |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011 | 2010  | 2009  |
| Manager           | 4.91  | 13.43  | 21.94   | 15.94   | 8.13    | 8.74     | 35.32 | 18.13 | 0.54 | 14.94 | 28.00 |
| Benchmark         | 4.98  | 13.45  | 20.89   | 15.42   | 6.45    | 7.30     | 32.53 | 17.50 | 0.39 | 15.51 | 19.69 |
| Difference        | -0.07 | -0.02  | 1.05    | 0.52    | 1.68    | 1.44     | 2.79  | 0.63  | 0.15 | -0.57 | 8.31  |
| Peer Group Median | 4.47  | 12.12  | 20.35   | 15.25   | 7.49    | 8.39     | 34.32 | 15.75 | 0.47 | 14.55 | 25.36 |
| Rank              | 39    | 34     | 31      | 35      | 34      | 41       | 44    | 26    | 50   | 47    | 37    |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.



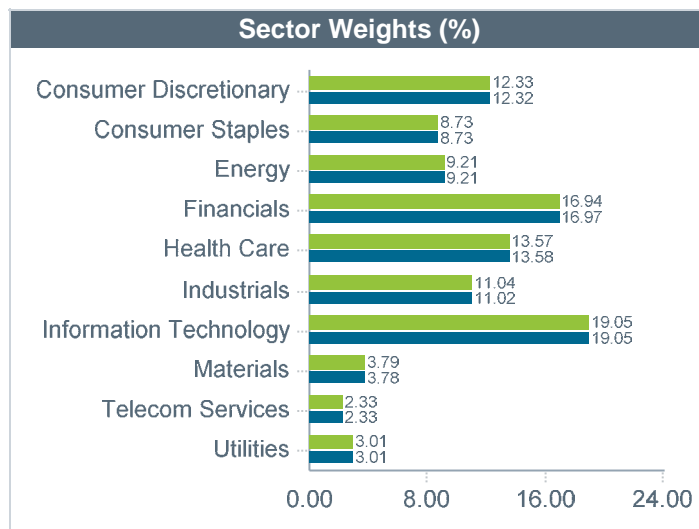
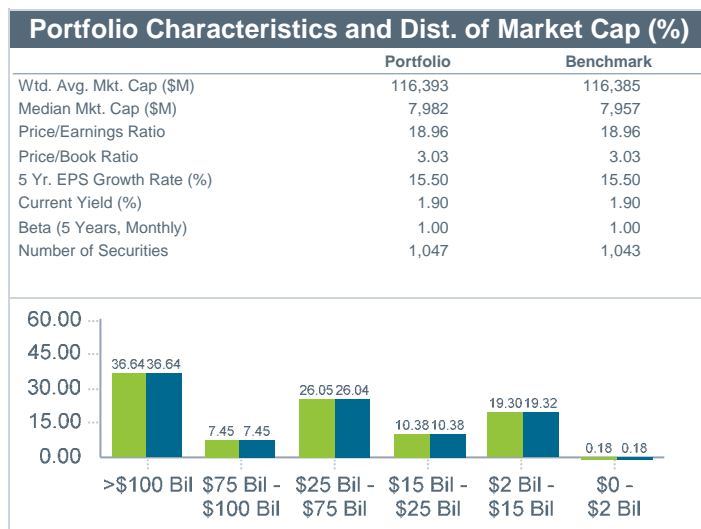
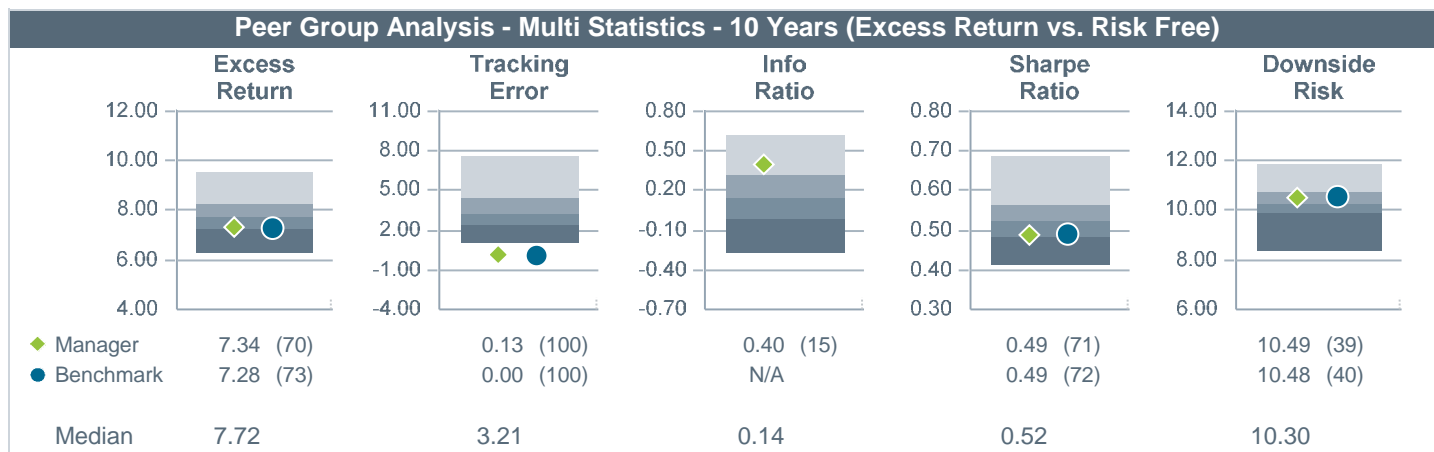
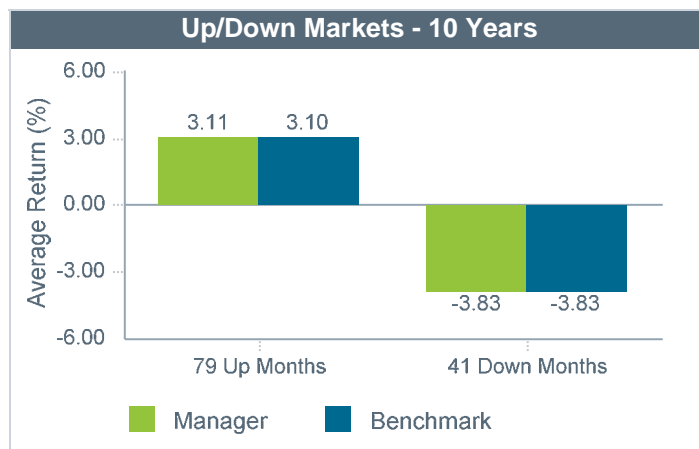
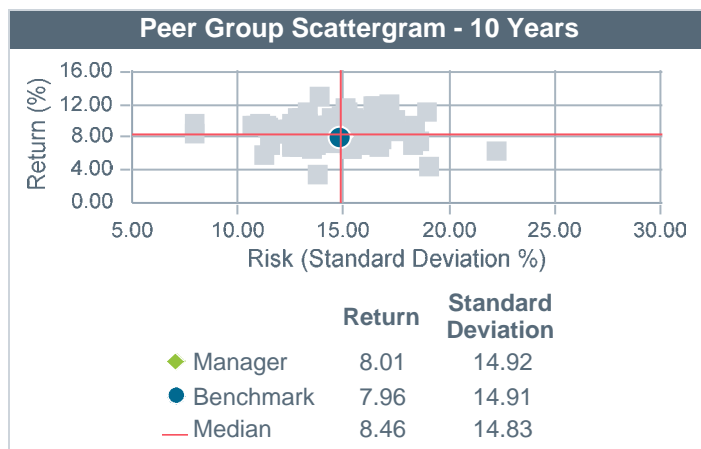
Manager: BlackRock Russell 1000 Index (CF)

As of December 31, 2014

Benchmark: R 1000 Index

Peer Group: IM U.S. Large Cap Core Equity (SA+CF)

| Performance       |      |        |         |         |         |          |       |       |       |       |       |
|-------------------|------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 4.89 | 13.27  | 20.68   | 15.65   | 7.50    | 8.01     | 33.16 | 16.51 | 1.32  | 16.21 | 28.56 |
| Benchmark         | 4.88 | 13.24  | 20.62   | 15.64   | 7.49    | 7.96     | 33.11 | 16.43 | 1.50  | 16.10 | 28.43 |
| Difference        | 0.01 | 0.03   | 0.06    | 0.01    | 0.01    | 0.05     | 0.05  | 0.08  | -0.18 | 0.11  | 0.13  |
| Peer Group Median | 5.11 | 13.45  | 20.69   | 15.53   | 7.79    | 8.42     | 33.42 | 15.66 | 1.93  | 14.85 | 26.59 |
| Rank              | 58   | 53     | 51      | 48      | 61      | 71       | 54    | 40    | 58    | 30    | 38    |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

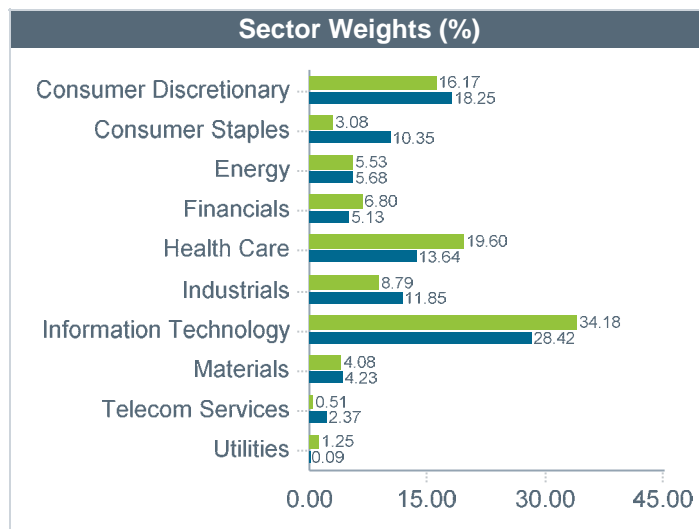
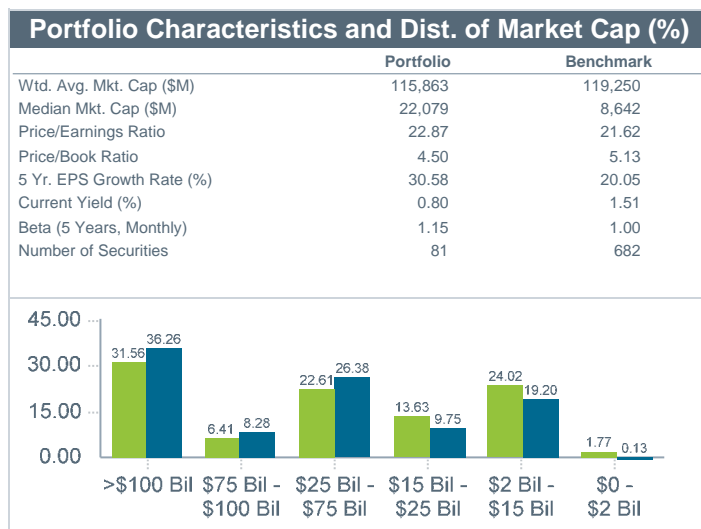
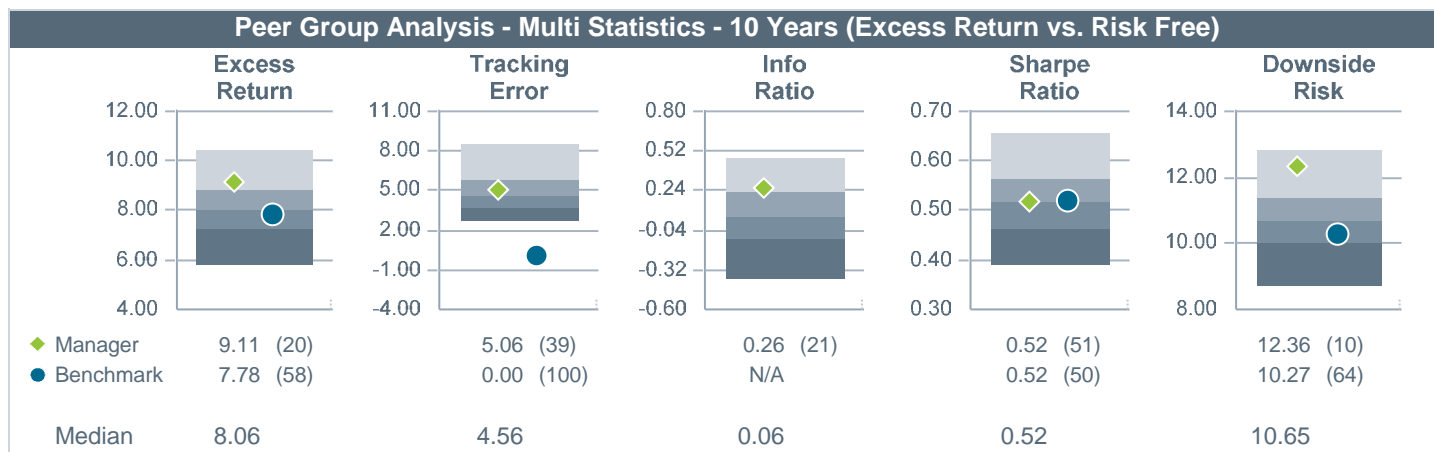
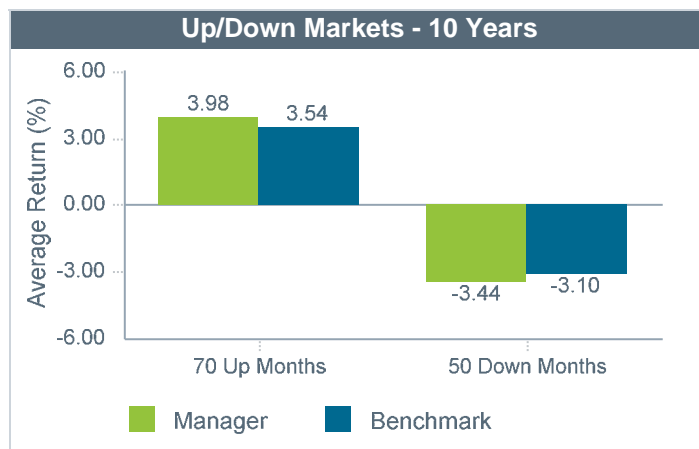
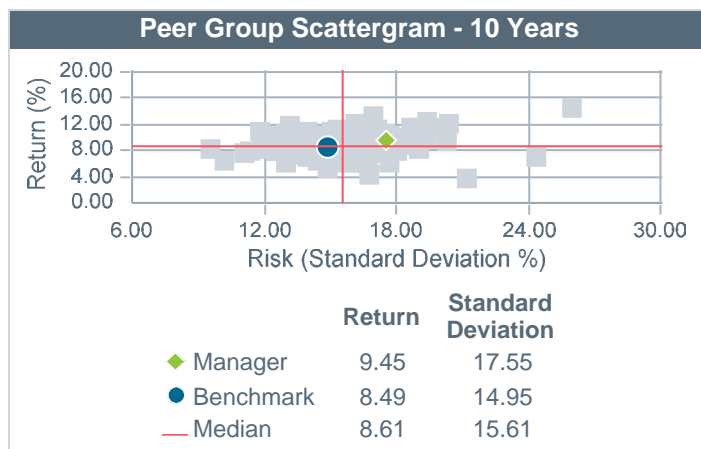
Manager: Fred Alger Large Cap Growth (SA)

As of December 31, 2014

Benchmark: R 1000 Growth Index

Peer Group: IM U.S. Large Cap Growth Equity (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 3.24  | 11.75  | 20.94   | 15.21   | 6.87    | 9.45     | 37.29 | 15.31 | -4.13 | 19.67 | 47.47 |
| Benchmark         | 4.78  | 13.05  | 20.26   | 15.81   | 8.41    | 8.49     | 33.48 | 15.26 | 2.64  | 16.71 | 37.22 |
| Difference        | -1.54 | -1.30  | 0.68    | -0.60   | -1.54   | 0.96     | 3.81  | 0.05  | -6.77 | 2.96  | 10.25 |
| Peer Group Median | 5.11  | 12.05  | 20.56   | 15.28   | 7.96    | 8.58     | 34.62 | 15.19 | 0.08  | 16.00 | 34.35 |
| Rank              | 84    | 55     | 43      | 53      | 74      | 27       | 27    | 49    | 83    | 25    | 9     |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

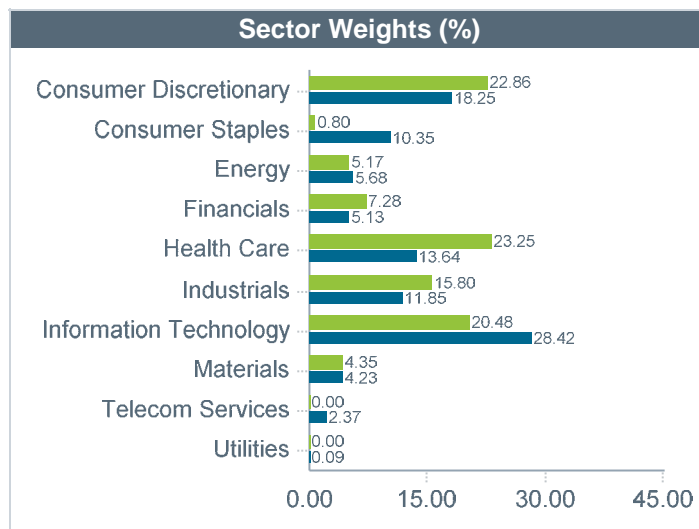
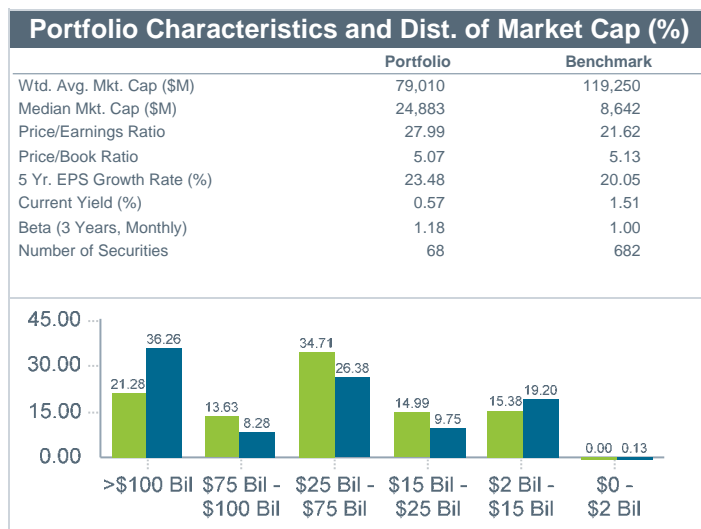
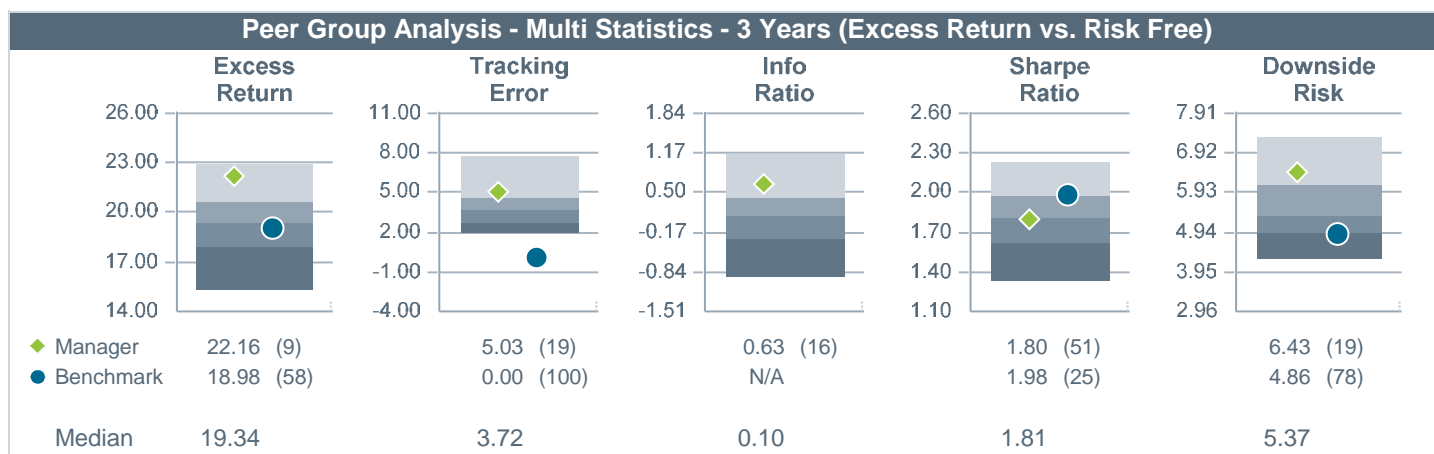
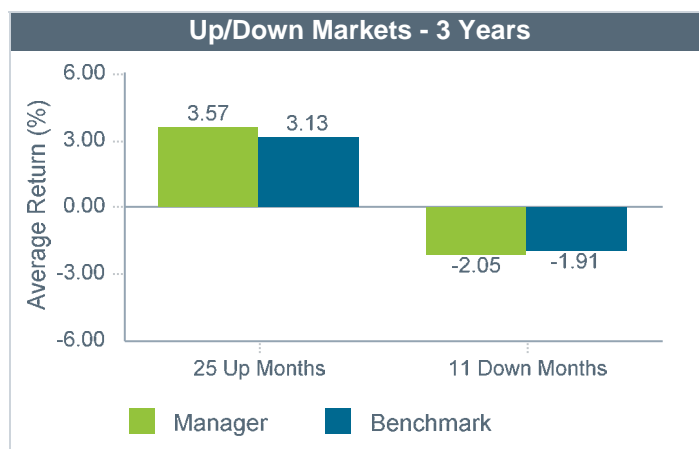
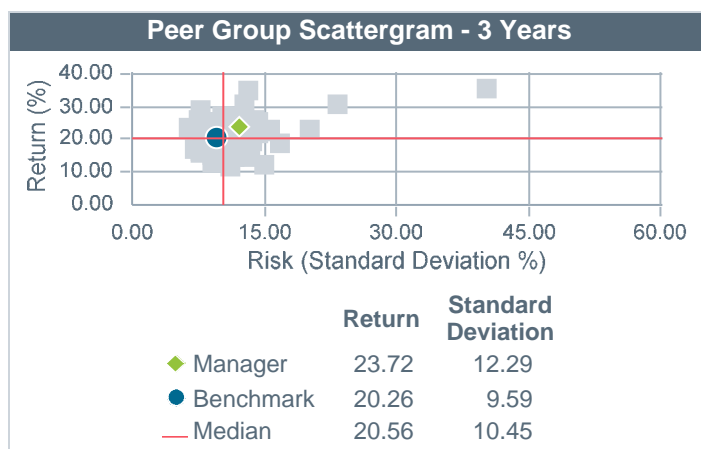
Manager: T. Rowe Price Large Cap Growth (SA)

As of December 31, 2014

Benchmark: R 1000 Growth Index

Peer Group: IM U.S. Large Cap Growth Equity (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 4.54  | 9.31   | 23.72   | N/A     | N/A     | N/A      | 44.58 | 19.84 | -2.03 | N/A   | N/A   |
| Benchmark         | 4.78  | 13.05  | 20.26   | 15.81   | 8.41    | 8.49     | 33.48 | 15.26 | 2.64  | 16.71 | 37.22 |
| Difference        | -0.24 | -3.74  | 3.46    | N/A     | N/A     | N/A      | 11.10 | 4.58  | -4.67 | N/A   | N/A   |
| Peer Group Median | 5.11  | 12.05  | 20.56   | 15.28   | 7.96    | 8.58     | 34.62 | 15.19 | 0.08  | 16.00 | 34.35 |
| Rank              | 64    | 78     | 10      | N/A     | N/A     | N/A      | 6     | 14    | 67    | N/A   | N/A   |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

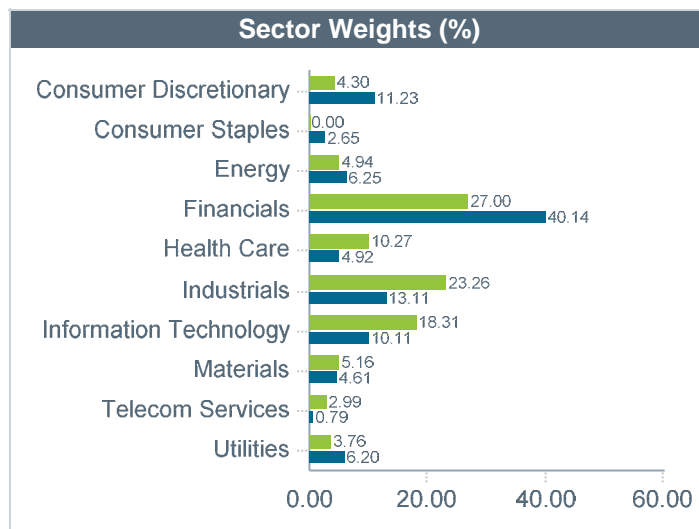
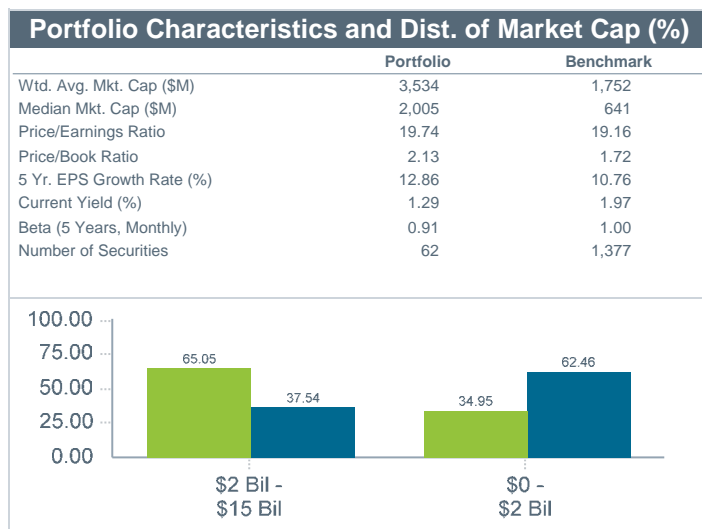
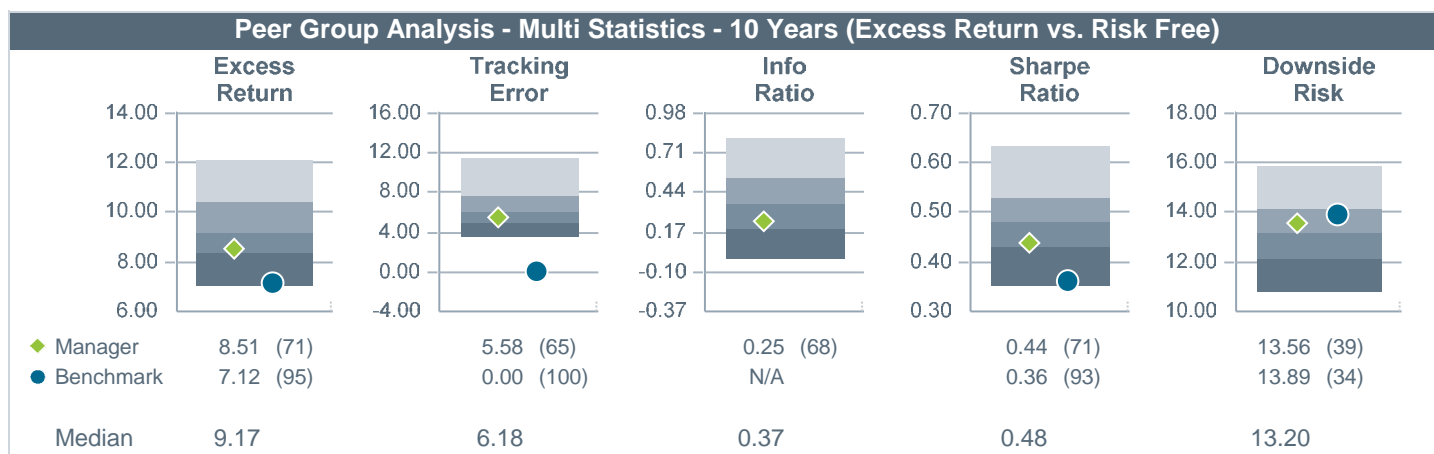
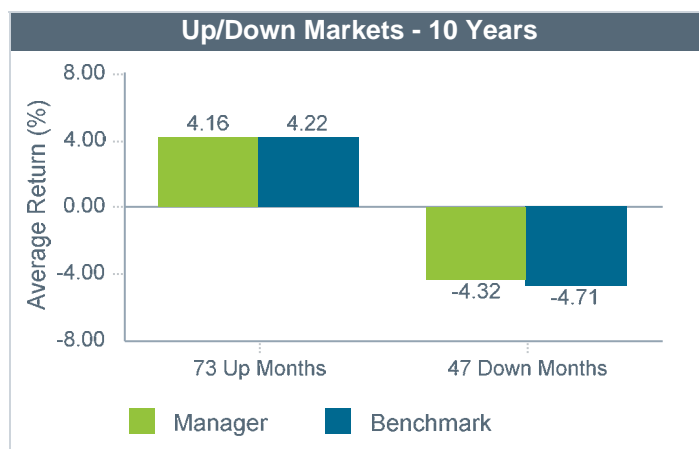
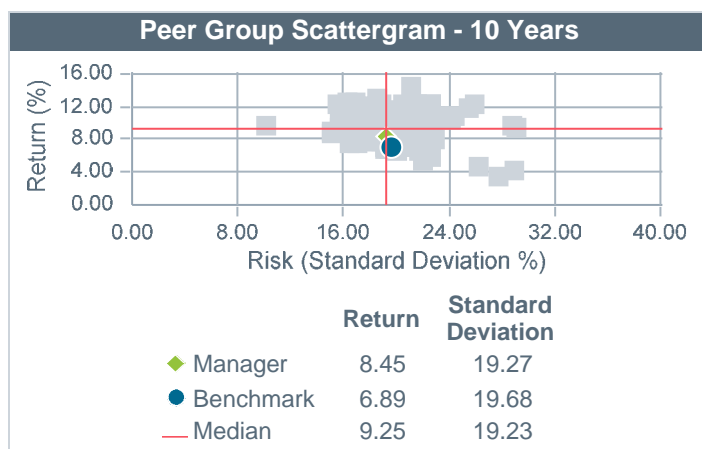
**Manager:** Earnest Partners Small Cap Value (SA)

**As of December 31, 2014**

**Benchmark:** R 2000 Value Index

**Peer Group:** IM U.S. Small Cap Value Equity (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 10.56 | 11.11  | 20.23   | 16.67   | 9.07    | 8.45     | 35.47 | 15.46 | 2.57  | 21.26 | 26.01 |
| Benchmark         | 9.40  | 4.22   | 18.29   | 14.26   | 7.59    | 6.89     | 34.52 | 18.05 | -5.50 | 24.50 | 20.58 |
| Difference        | 1.16  | 6.89   | 1.94    | 2.41    | 1.48    | 1.56     | 0.95  | -2.59 | 8.07  | -3.24 | 5.43  |
| Peer Group Median | 7.73  | 5.34   | 19.84   | 16.29   | 9.88    | 9.25     | 38.74 | 17.49 | -3.27 | 27.77 | 34.85 |
| Rank              | 10    | 5      | 45      | 41      | 65      | 74       | 73    | 68    | 13    | 89    | 75    |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

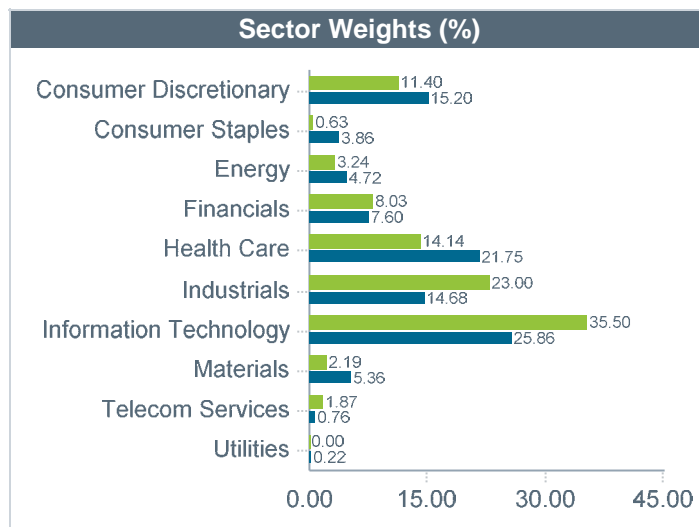
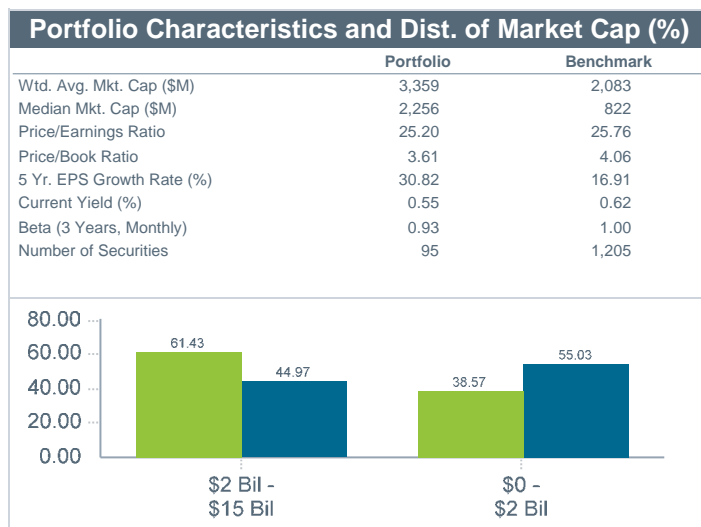
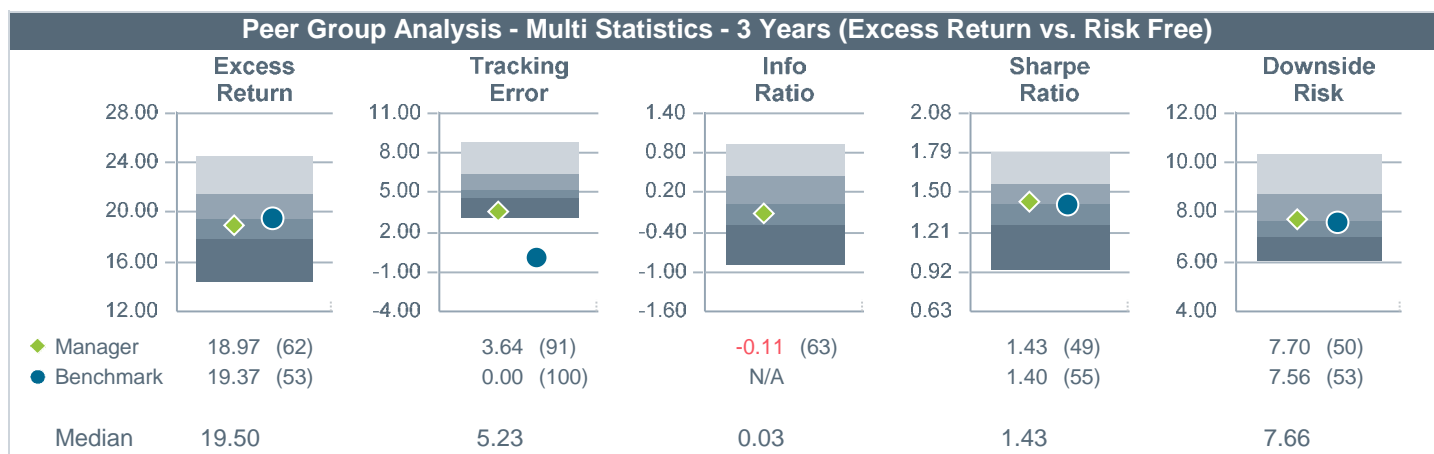
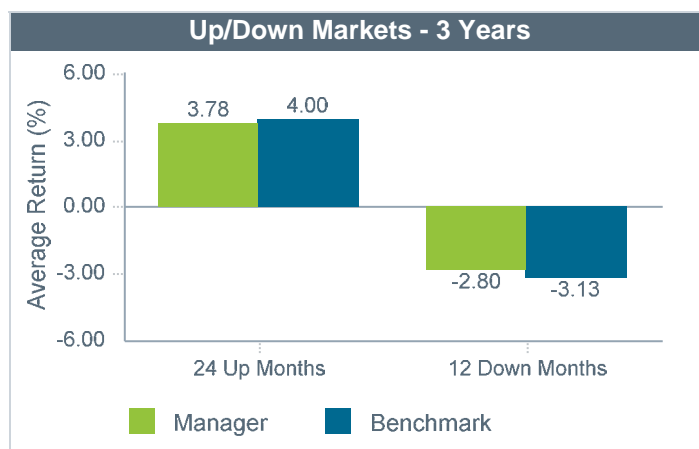
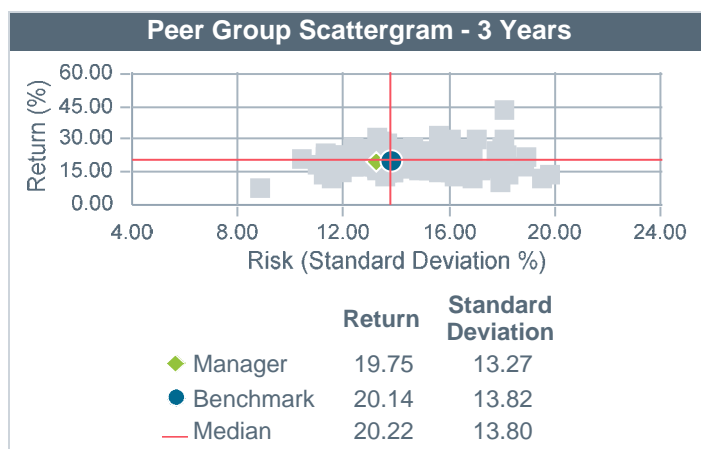
**Manager:** Frontier Small Cap Growth (SA)

**As of December 31, 2014**

**Benchmark:** R 2000 Growth Index

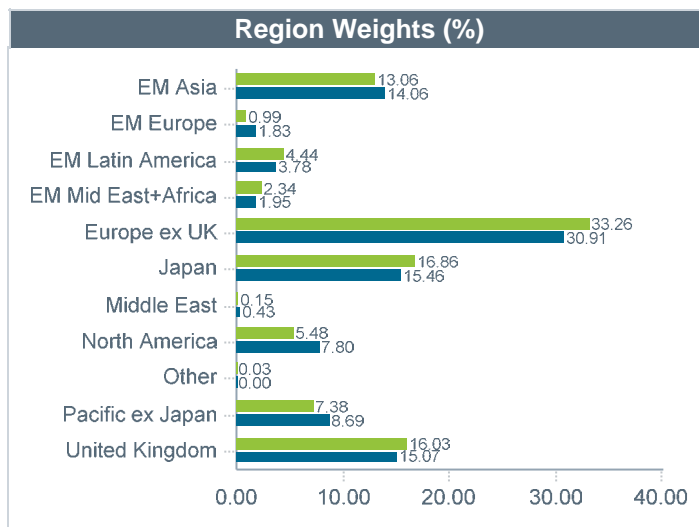
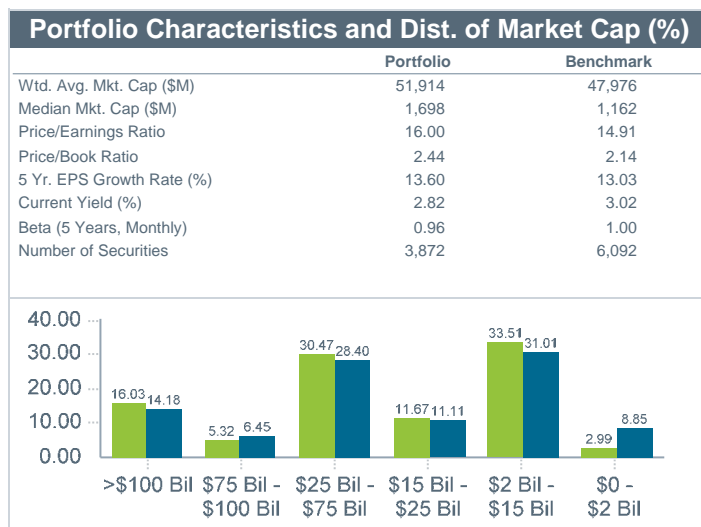
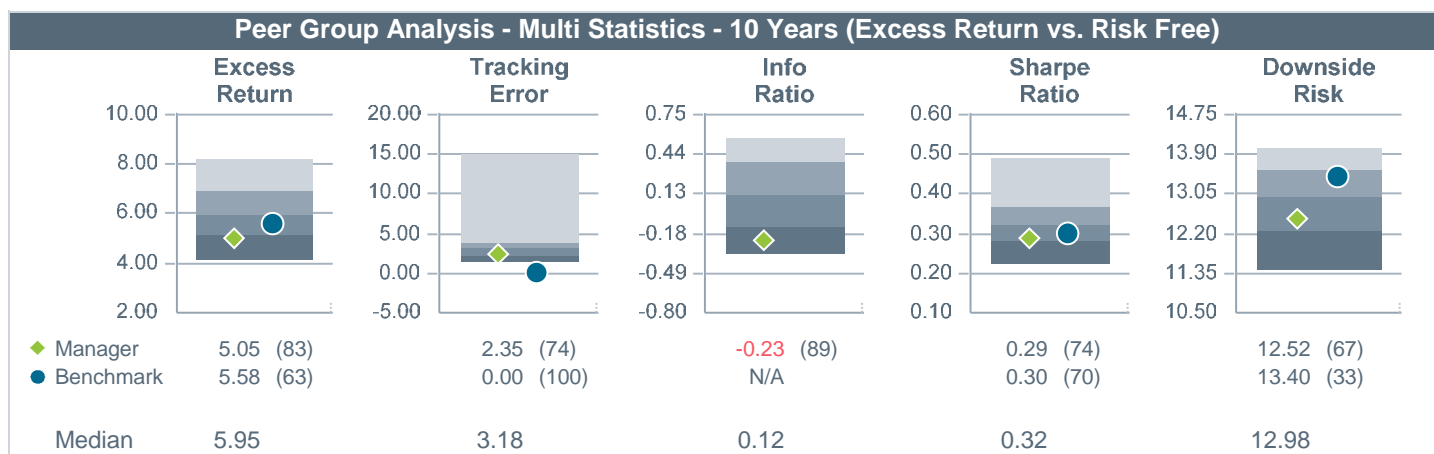
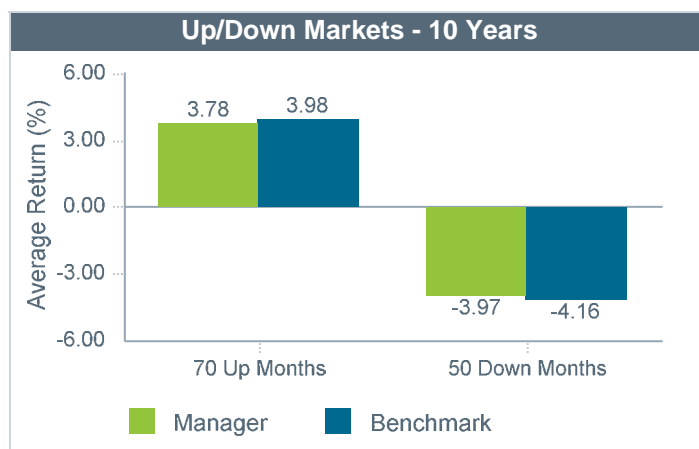
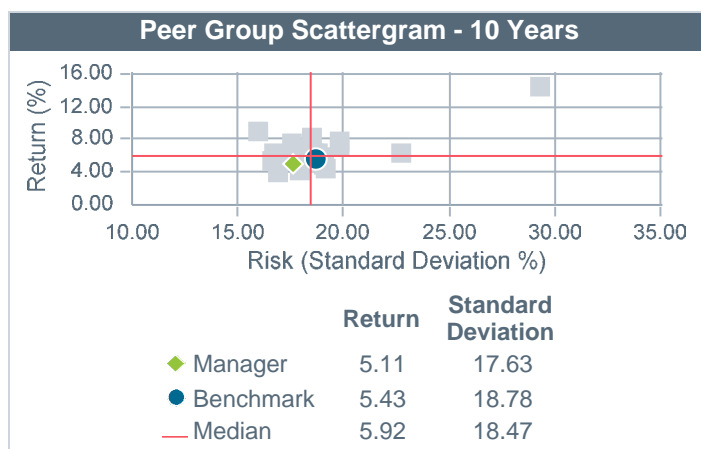
**Peer Group:** IM U.S. Small Cap Growth Equity (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010  | 2009  |
| Manager           | 10.92 | 6.04   | 19.75   | N/A     | N/A     | N/A      | 41.34 | 14.59 | -6.77 | N/A   | N/A   |
| Benchmark         | 10.06 | 5.60   | 20.14   | 16.79   | 8.73    | 8.54     | 43.30 | 14.59 | -2.91 | 29.09 | 34.47 |
| Difference        | 0.86  | 0.44   | -0.39   | N/A     | N/A     | N/A      | -1.96 | 0.00  | -3.86 | N/A   | N/A   |
| Peer Group Median | 8.64  | 3.87   | 20.22   | 17.61   | 8.91    | 9.59     | 46.64 | 14.76 | -1.68 | 29.01 | 37.63 |
| Rank              | 15    | 32     | 61      | N/A     | N/A     | N/A      | 82    | 52    | 79    | N/A   | N/A   |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks.

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | -1.75 | -1.15  | 10.31   | 4.79    | 0.41    | 5.11     | 19.16 | 13.94 | -14.24 | 9.79  | 37.79 |
| Benchmark         | -3.88 | -3.89  | 9.22    | 4.71    | -0.22   | 5.43     | 15.82 | 17.04 | -14.31 | 12.73 | 43.60 |
| Difference        | 2.13  | 2.74   | 1.09    | 0.08    | 0.63    | -0.32    | 3.34  | -3.10 | 0.07   | -2.94 | -5.81 |
| Peer Group Median | -3.03 | -3.00  | 10.93   | 6.12    | 0.39    | 5.92     | 18.47 | 18.80 | -12.65 | 12.33 | 37.84 |
| Rank              | 17    | 23     | 67      | 82      | 50      | 75       | 43    | 99    | 82     | 81    | 51    |



Performance shown is gross of fees. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity or market accessibility criteria as defined by the MSCI region standards.

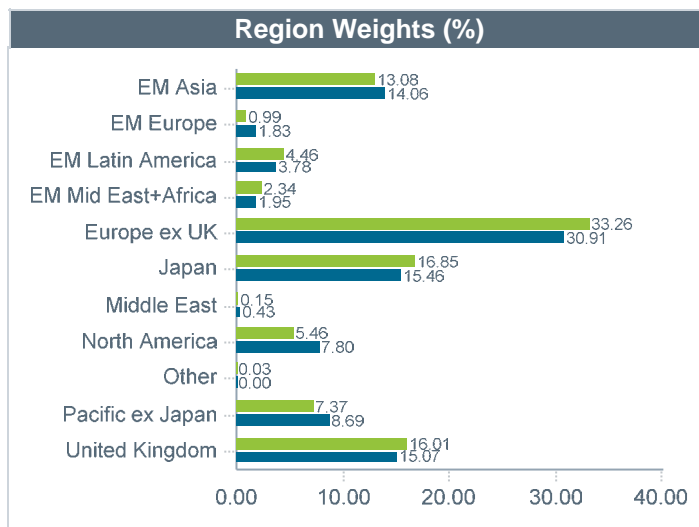
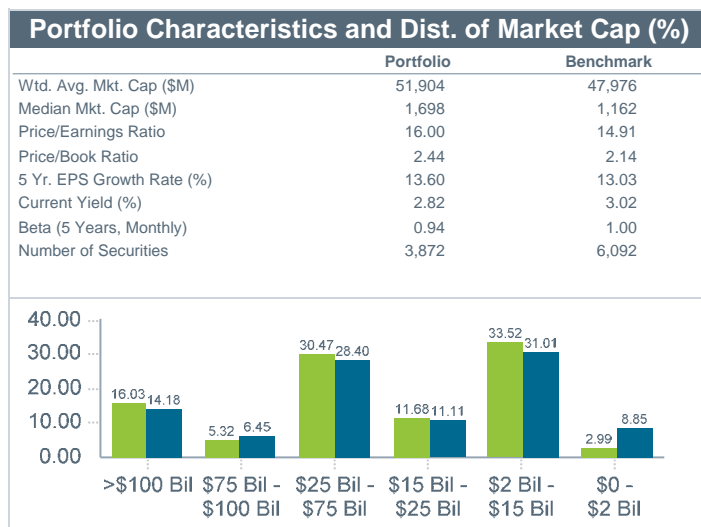
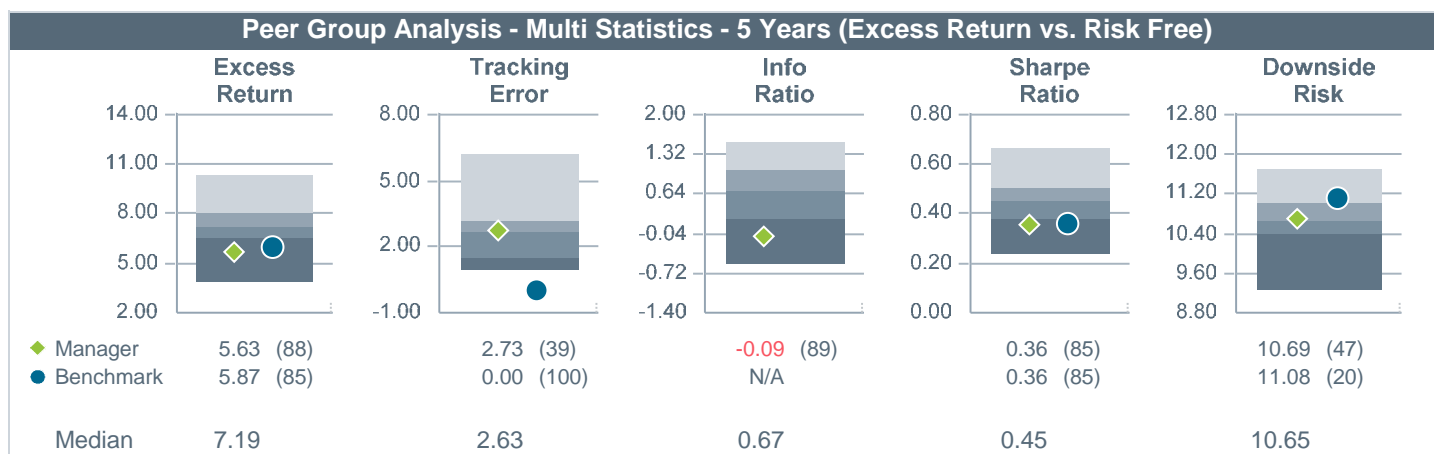
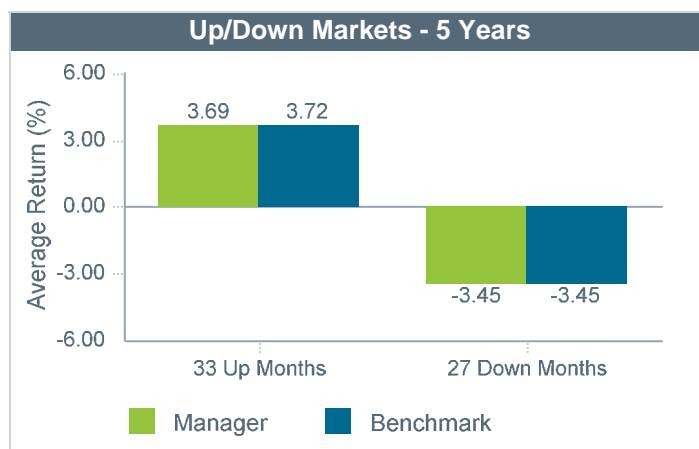
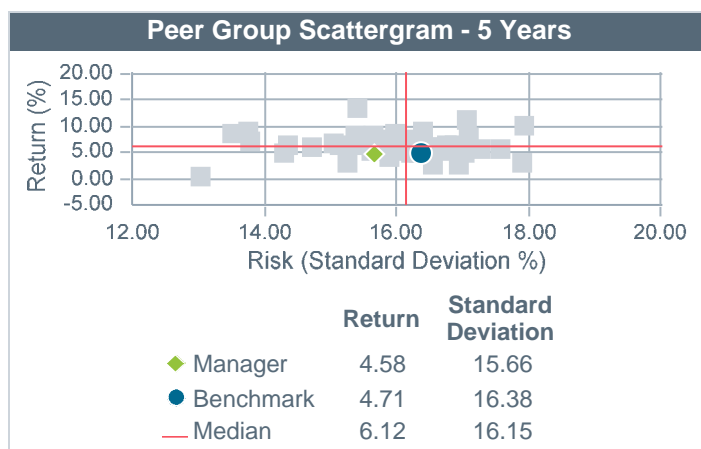
**Manager: International Equity Composite - Health**

As of December 31, 2014

**Benchmark:** MSCI ACW Ex US IMI (Net)

**Peer Group:** All Public Plans-Intl. Equity Segment

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | -1.74 | -1.14  | 9.79    | 4.58    | N/A     | N/A      | 18.81 | 12.69 | -12.86 | 8.46  | N/A   |
| Benchmark         | -3.88 | -3.89  | 9.22    | 4.71    | -0.34   | 5.37     | 15.82 | 17.04 | -14.31 | 12.73 | 43.60 |
| Difference        | 2.14  | 2.75   | 0.57    | -0.13   | N/A     | N/A      | 2.99  | -4.35 | 1.45   | -4.27 | N/A   |
| Peer Group Median | -3.03 | -3.00  | 10.93   | 6.12    | 0.39    | 5.92     | 18.47 | 18.80 | -12.65 | 12.33 | 37.84 |
| Rank              | 17    | 23     | 74      | 89      | N/A     | N/A      | 46    | 100   | 57     | 90    | N/A   |



Performance shown is gross of fees. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity or market accessibility criteria as defined by the MSCI region standards.

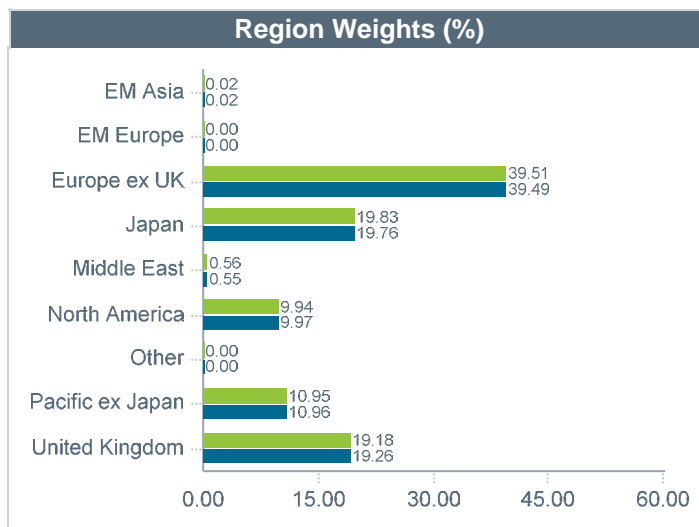
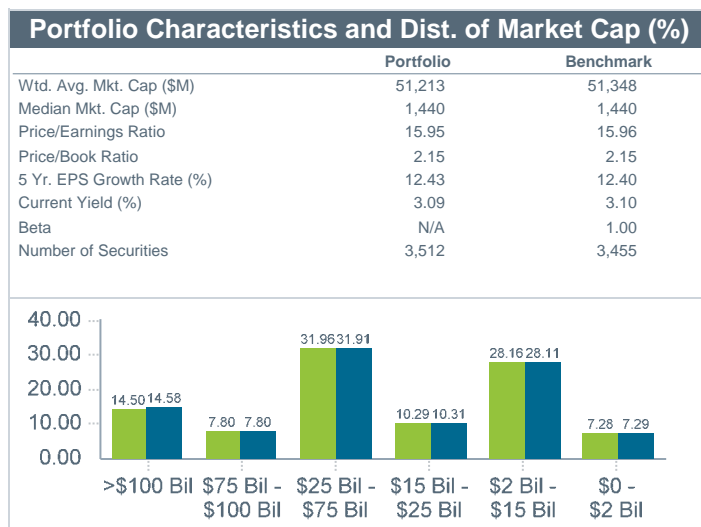
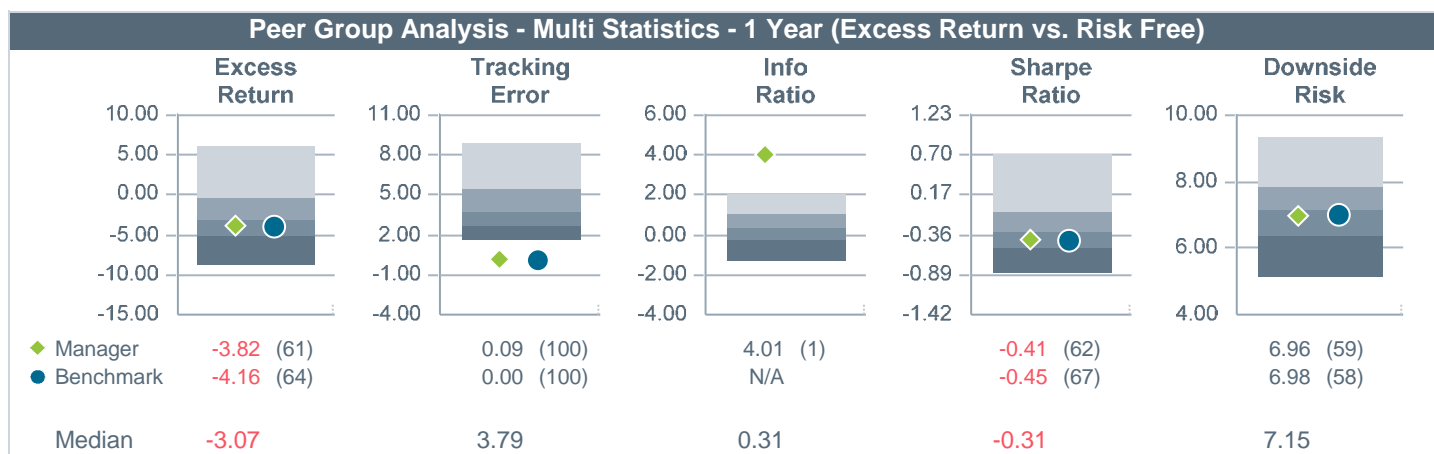
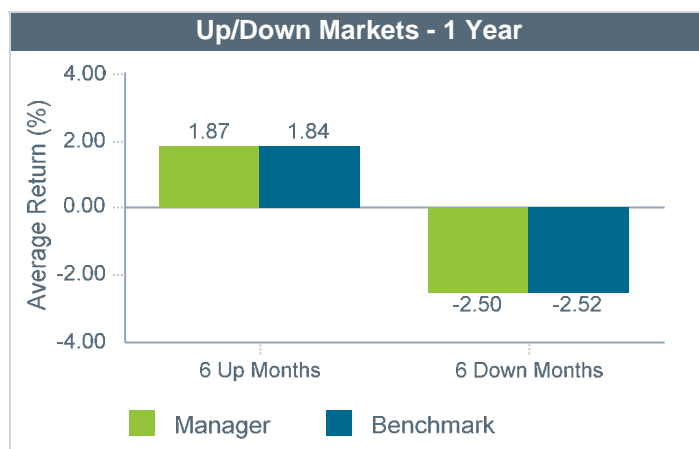
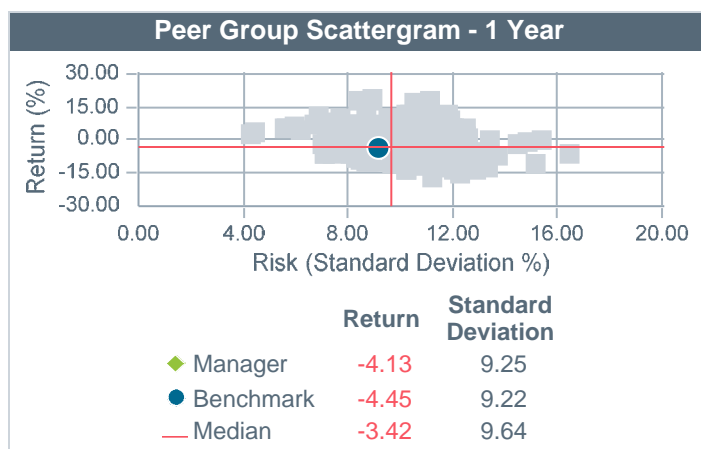
**Manager: BlackRock Developed Int'l - Passive (CF)**

**As of December 31, 2014**

**Benchmark: MSCI World Ex US IMI Index (Net)**

**Peer Group: IM International Equity Developed Markets (SA+CF)**

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | -3.59 | -4.13  | N/A     | N/A     | N/A     | N/A      | 21.90 | N/A   | N/A    | N/A   | N/A   |
| Benchmark         | -3.65 | -4.45  | 10.62   | 5.52    | -0.12   | 4.88     | 21.57 | 16.55 | -12.66 | 10.66 | 35.35 |
| Difference        | 0.06  | 0.32   | N/A     | N/A     | N/A     | N/A      | 0.33  | N/A   | N/A    | N/A   | N/A   |
| Peer Group Median | -2.66 | -3.42  | 12.23   | 7.25    | 1.44    | 6.25     | 23.86 | 19.59 | -11.99 | 12.98 | 35.62 |
| Rank              | 69    | 60     | N/A     | N/A     | N/A     | N/A      | 62    | N/A   | N/A    | N/A   | N/A   |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Beta calculation requires three years of client-specific performance history. Allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity or market accessibility criteria as defined by the MSCI region standards.



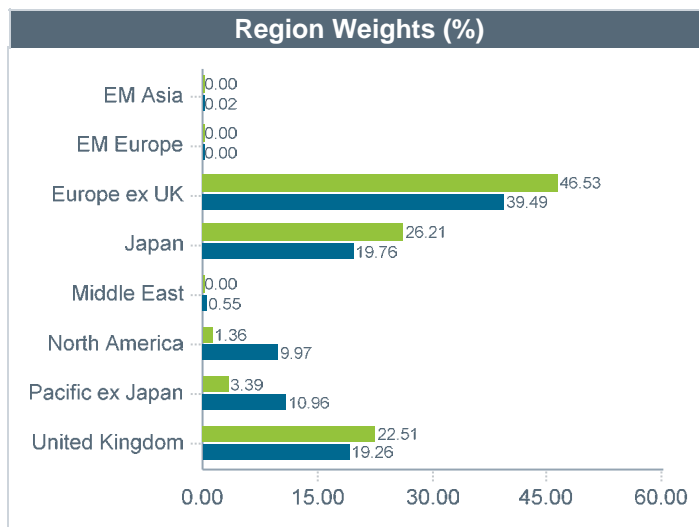
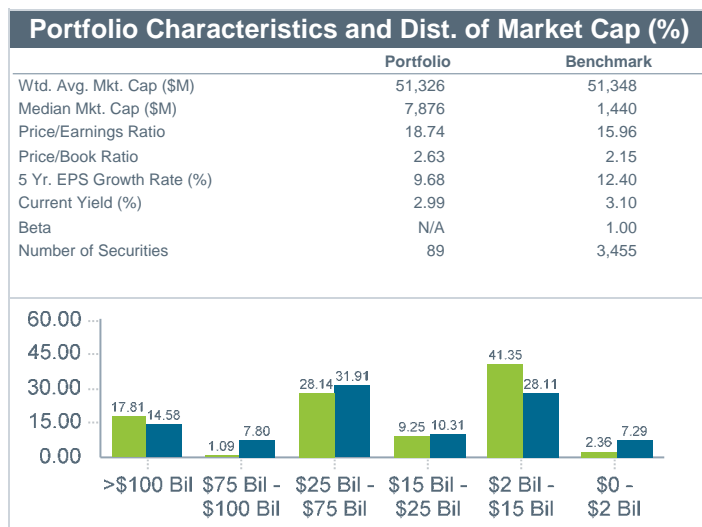
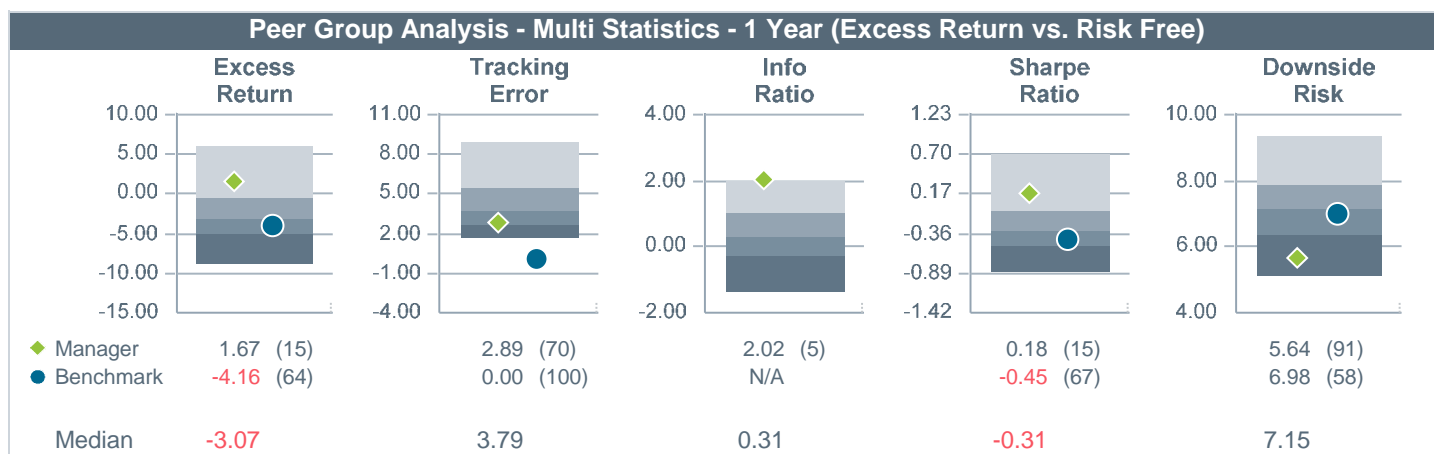
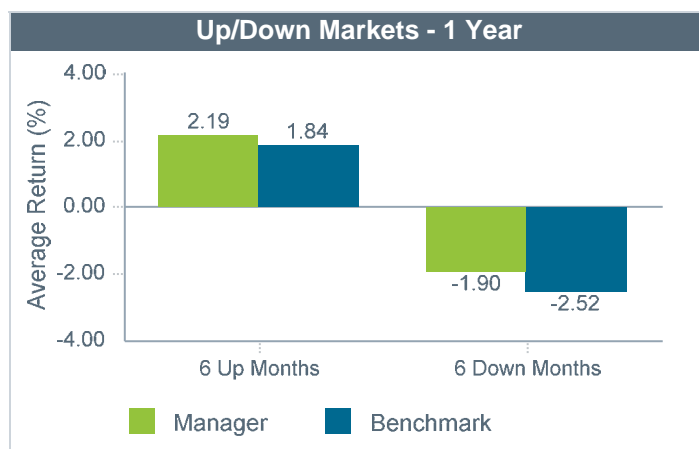
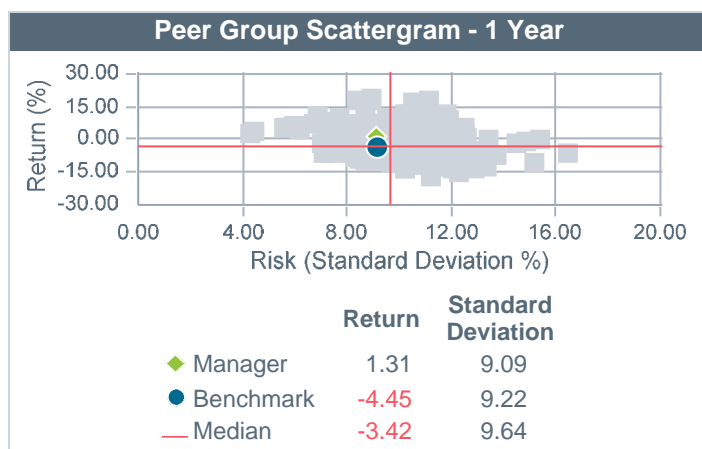
**Manager: MFS Developed Int'l (SA)**

**As of December 31, 2014**

**Benchmark: MSCI World Ex US IMI Index (Net)**

**Peer Group: IM International Equity Developed Markets (SA+CF)**

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | 0.11  | 1.31   | N/A     | N/A     | N/A     | N/A      | 31.52 | N/A   | N/A    | N/A   | N/A   |
| Benchmark         | -3.65 | -4.45  | 10.62   | 5.52    | -0.12   | 4.88     | 21.57 | 16.55 | -12.66 | 10.66 | 35.35 |
| Difference        | 3.76  | 5.76   | N/A     | N/A     | N/A     | N/A      | 9.95  | N/A   | N/A    | N/A   | N/A   |
| Peer Group Median | -2.66 | -3.42  | 12.23   | 7.25    | 1.44    | 6.25     | 23.86 | 19.59 | -11.99 | 12.98 | 35.62 |
| Rank              | 12    | 15     | N/A     | N/A     | N/A     | N/A      | 15    | N/A   | N/A    | N/A   | N/A   |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Beta calculation requires three years of client-specific performance history.



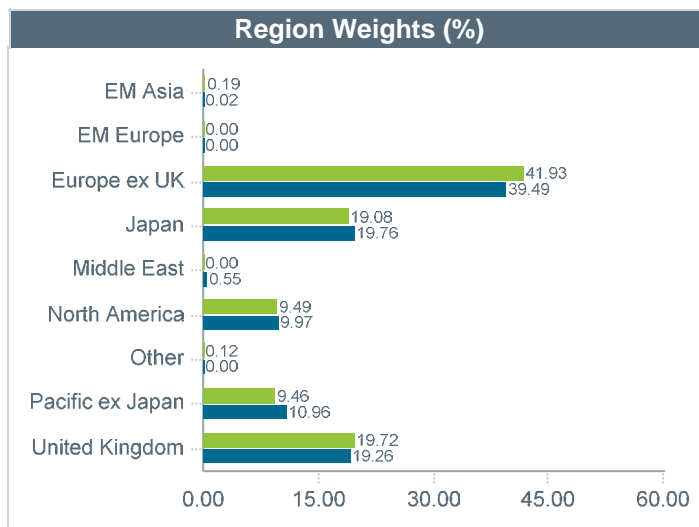
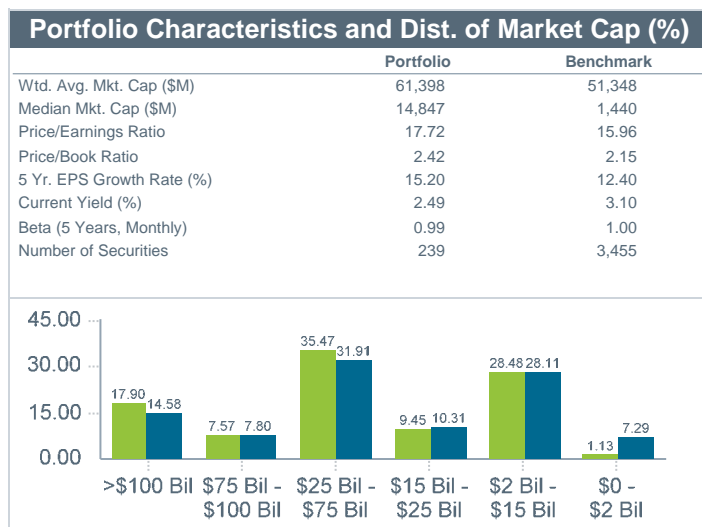
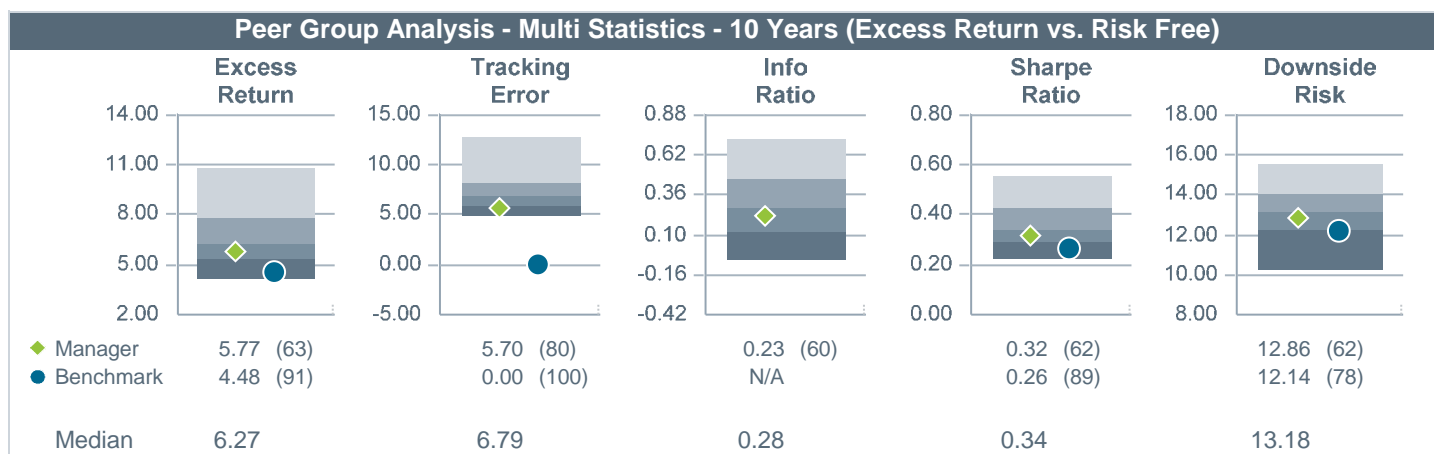
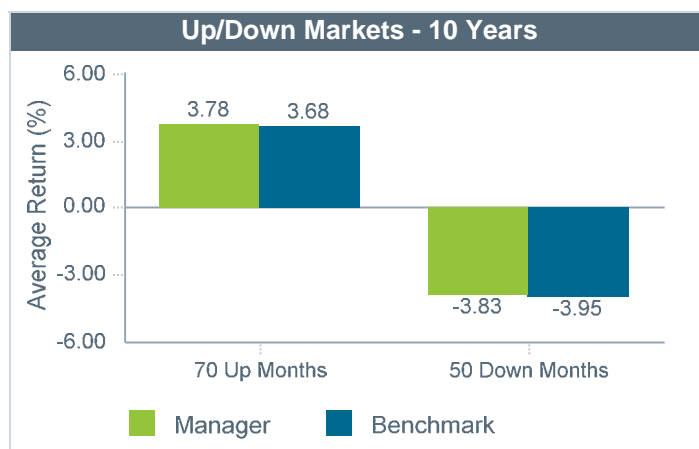
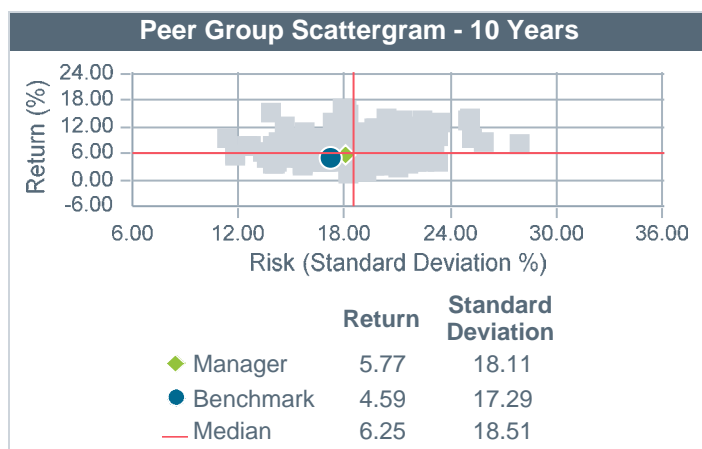
Manager: Pyramis (SA)

As of December 31, 2014

Benchmark: International Developed Blend

Peer Group: IM International Equity Developed Markets (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | -3.13 | -5.94  | 11.94   | 6.89    | 0.95    | 5.77     | 26.02 | 18.35 | -11.19 | 11.99 | 30.47 |
| Benchmark         | -3.65 | -4.45  | 10.62   | 5.52    | 0.46    | 4.59     | 21.57 | 16.55 | -12.66 | 10.66 | 35.35 |
| Difference        | 0.52  | -1.49  | 1.32    | 1.37    | 0.49    | 1.18     | 4.45  | 1.80  | 1.47   | 1.33  | -4.88 |
| Peer Group Median | -2.66 | -3.42  | 12.23   | 7.25    | 1.44    | 6.25     | 23.86 | 19.59 | -11.99 | 12.98 | 35.62 |
| Rank              | 59    | 81     | 56      | 56      | 58      | 63       | 37    | 62    | 42     | 56    | 70    |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Allocation to "Other" consists of holdings domiciled in countries/regions that do not meet economic development, size, liquidity or market accessibility criteria as defined by the MSCI region standards.

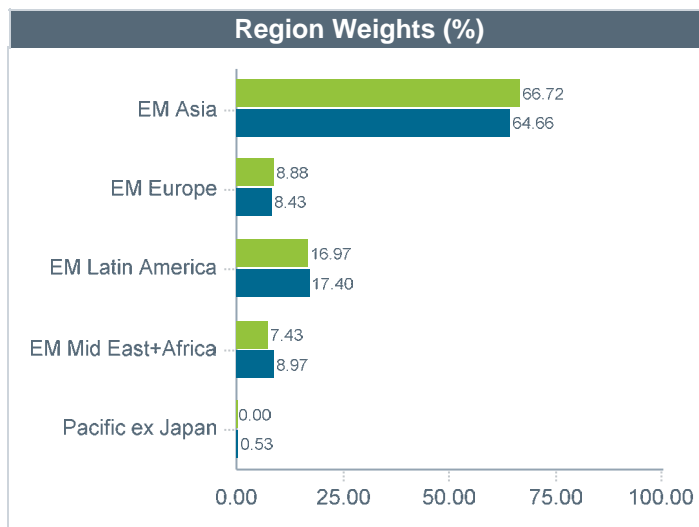
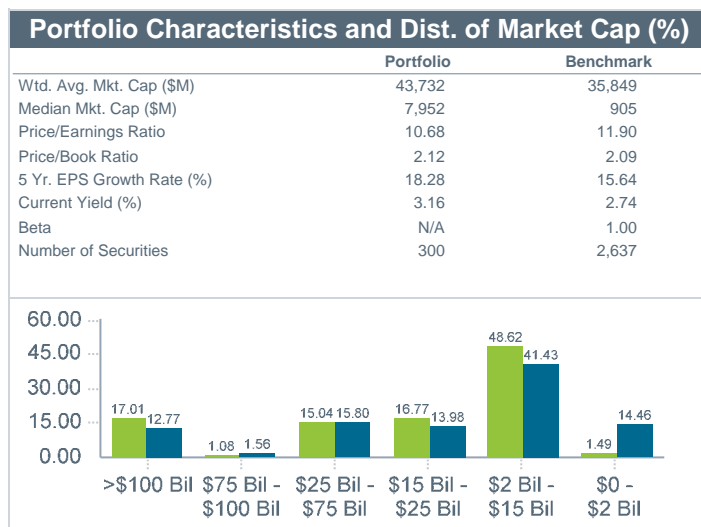
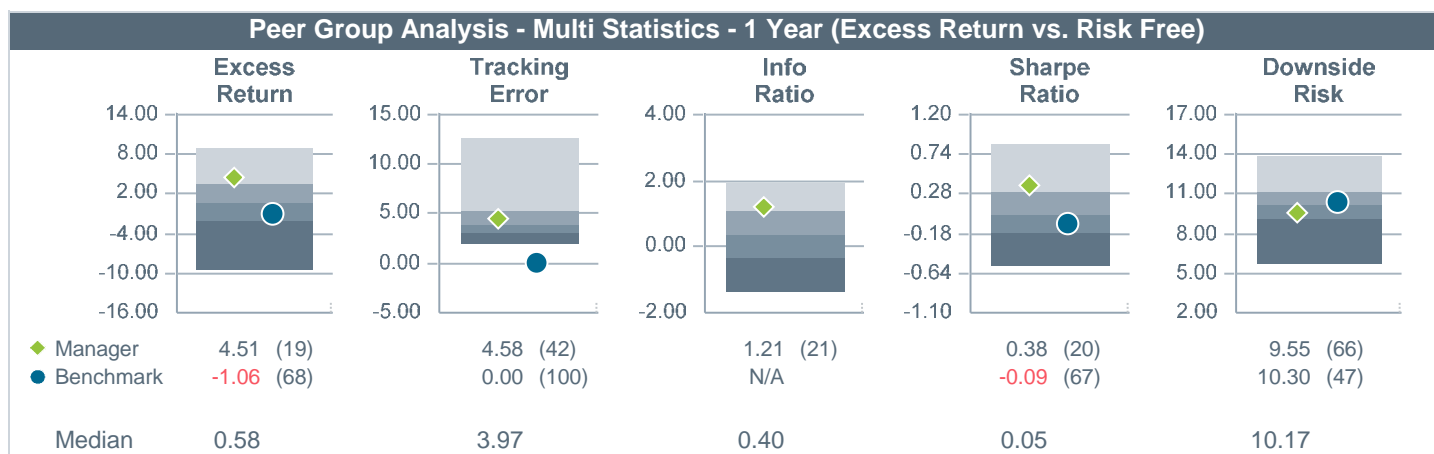
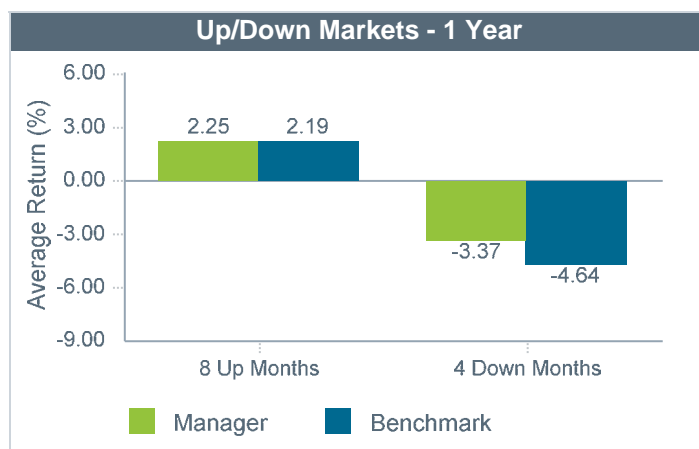
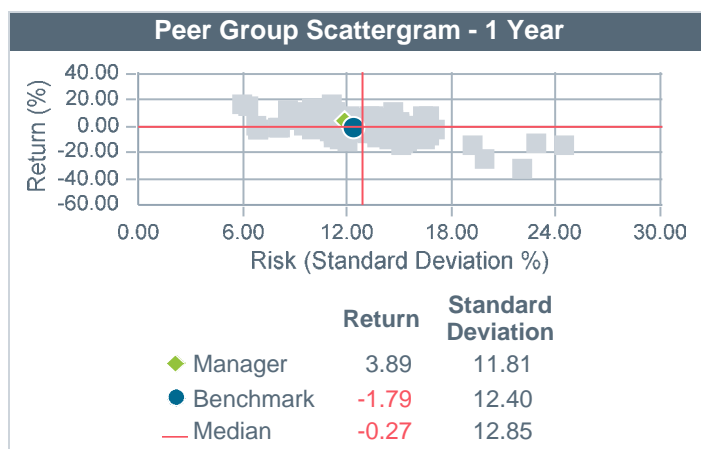
Manager: LA Capital Emerging (CF)

As of December 31, 2014

Benchmark: MSCI Emg Mkts Investable Mkt Index (Net)

Peer Group: IM Emerging Markets Equity (SA+CF)

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | 2.16  | 3.89   | N/A     | N/A     | N/A     | N/A      | -1.67 | N/A   | N/A    | N/A   | N/A   |
| Benchmark         | -4.70 | -1.79  | 4.47    | 1.93    | -1.07   | 8.62     | -2.20 | 18.69 | -19.49 | 19.90 | 82.36 |
| Difference        | 6.86  | 5.68   | N/A     | N/A     | N/A     | N/A      | 0.53  | N/A   | N/A    | N/A   | N/A   |
| Peer Group Median | -4.14 | -0.27  | 6.39    | 3.51    | -0.06   | 9.67     | 0.52  | 20.53 | -18.44 | 21.60 | 80.01 |
| Rank              | 2     | 19     | N/A     | N/A     | N/A     | N/A      | 66    | N/A   | N/A    | N/A   | N/A   |

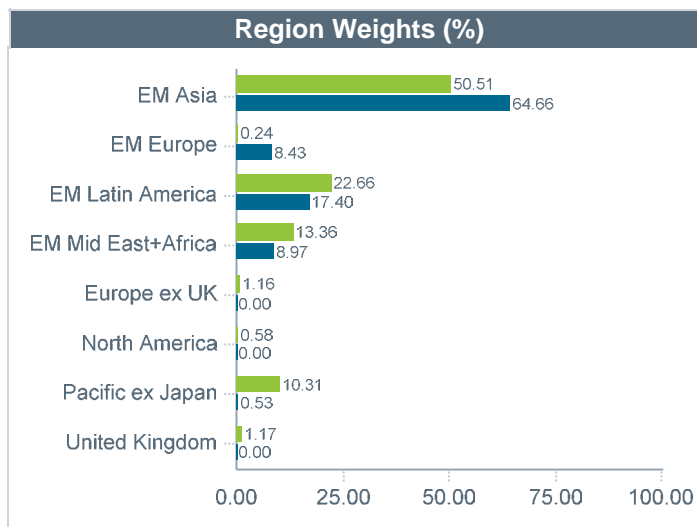
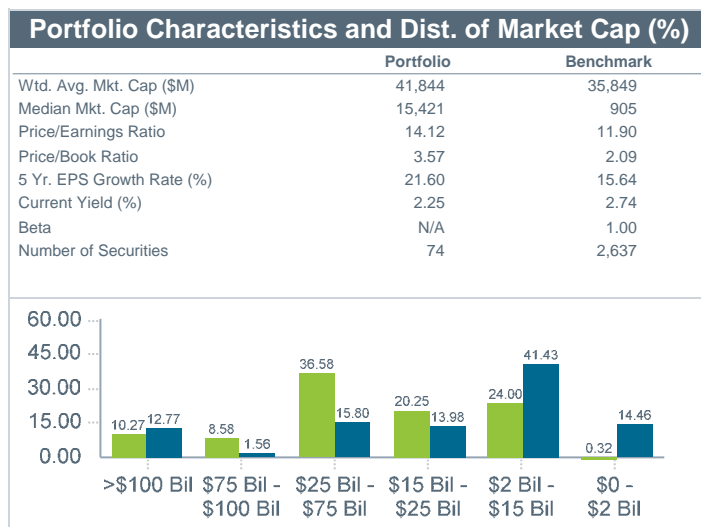
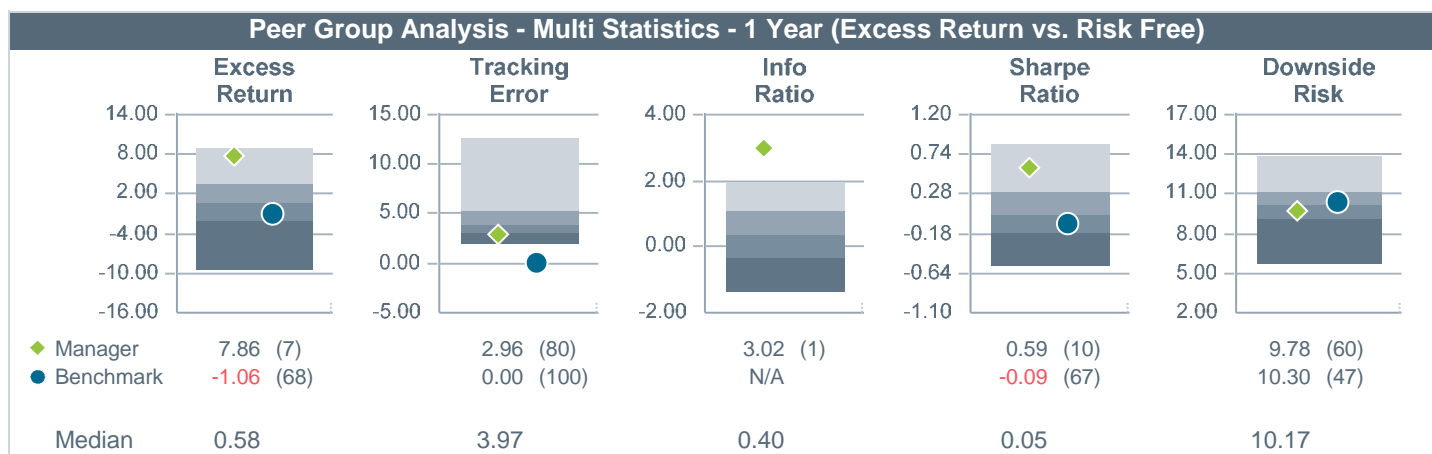
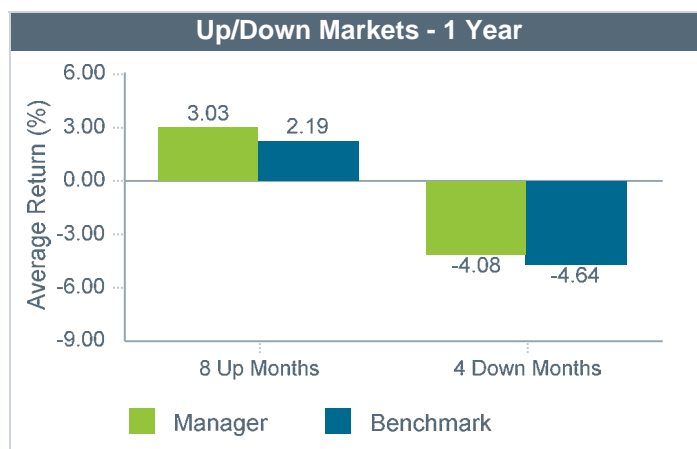
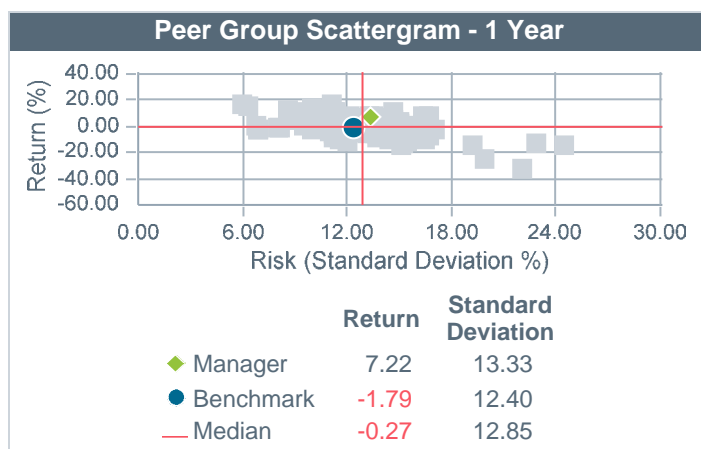


Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Beta calculation requires three years of client-specific performance history.



**Manager: Vontobel Emerging (SA)**
**As of December 31, 2014**
**Benchmark: MSCI Emg Mkts Investable Mkt Index (Net)**
**Peer Group: IM Emerging Markets Equity (SA+CF)**

| Performance       |       |        |         |         |         |          |       |       |        |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager           | -2.34 | 7.22   | N/A     | N/A     | N/A     | N/A      | -5.23 | N/A   | N/A    | N/A   | N/A   |
| Benchmark         | -4.70 | -1.79  | 4.47    | 1.93    | -1.07   | 8.62     | -2.20 | 18.69 | -19.49 | 19.90 | 82.36 |
| Difference        | 2.36  | 9.01   | N/A     | N/A     | N/A     | N/A      | -3.03 | N/A   | N/A    | N/A   | N/A   |
| Peer Group Median | -4.14 | -0.27  | 6.39    | 3.51    | -0.06   | 9.67     | 0.52  | 20.53 | -18.44 | 21.60 | 80.01 |
| Rank              | 24    | 8      | N/A     | N/A     | N/A     | N/A      | 89    | N/A   | N/A    | N/A   | N/A   |



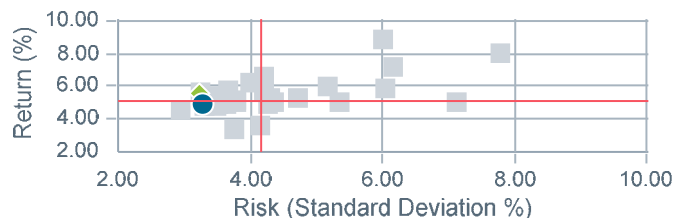
Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Parenthesis contain percentile ranks. Beta calculation requires three years of client-specific performance history.



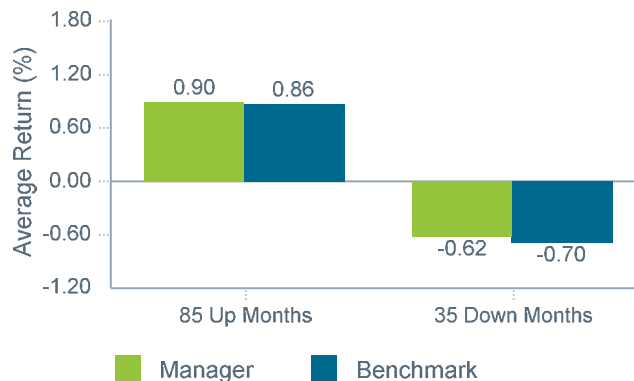
**Manager: Fixed Income Composite - Retirement**
**As of December 31, 2014**
**Benchmark:** Barclays US Univ Bond Index

**Peer Group:** All Public Plans-US Fixed Income Segment

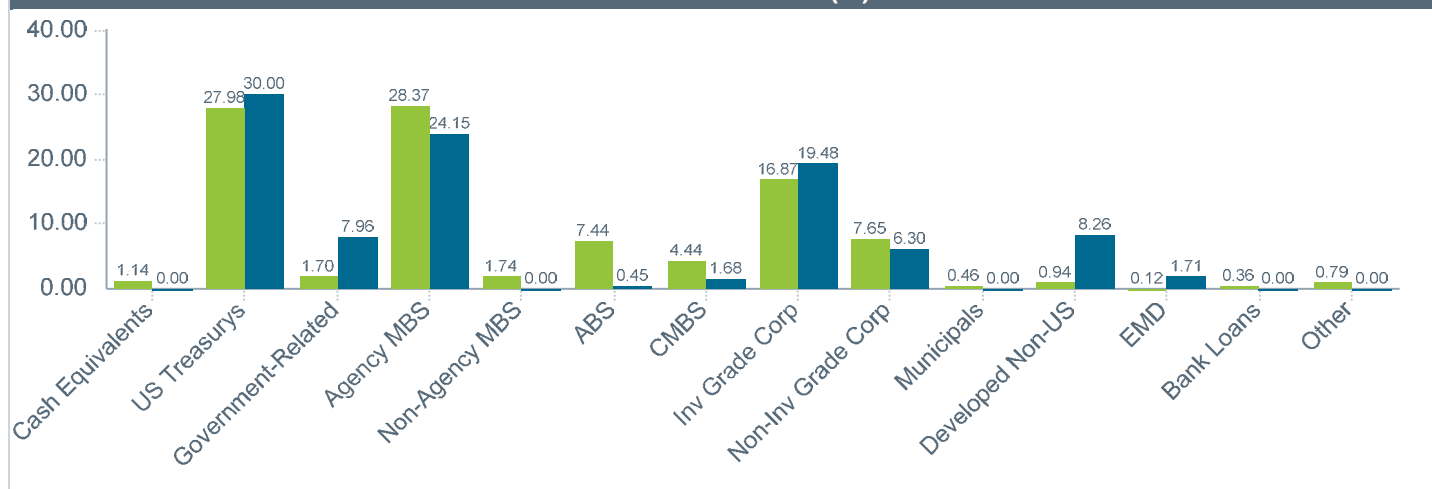
| Performance       |      |        |         |         |         |          |       |      |      |      |       |
|-------------------|------|--------|---------|---------|---------|----------|-------|------|------|------|-------|
|                   | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011 | 2010 | 2009  |
| Manager           | 1.60 | 6.05   | 4.23    | 5.88    | 5.80    | 5.53     | -0.68 | 7.52 | 7.91 | 8.88 | 13.69 |
| Benchmark         | 1.34 | 5.56   | 3.20    | 4.81    | 4.99    | 4.91     | -1.35 | 5.53 | 7.40 | 7.16 | 8.60  |
| Difference        | 0.26 | 0.49   | 1.03    | 1.07    | 0.81    | 0.62     | 0.67  | 1.99 | 0.51 | 1.72 | 5.09  |
| Peer Group Median | 1.16 | 5.74   | 4.10    | 5.91    | 5.47    | 5.13     | -1.35 | 7.23 | 7.74 | 8.05 | 13.76 |
| Rank              | 22   | 41     | 47      | 51      | 38      | 35       | 36    | 47   | 42   | 36   | 51    |

**Peer Group Scattergram - 10 Years**


|             | Return | Standard Deviation |
|-------------|--------|--------------------|
| ◆ Manager   | 5.53   | 3.24               |
| ● Benchmark | 4.91   | 3.28               |
| — Median    | 5.13   | 4.15               |

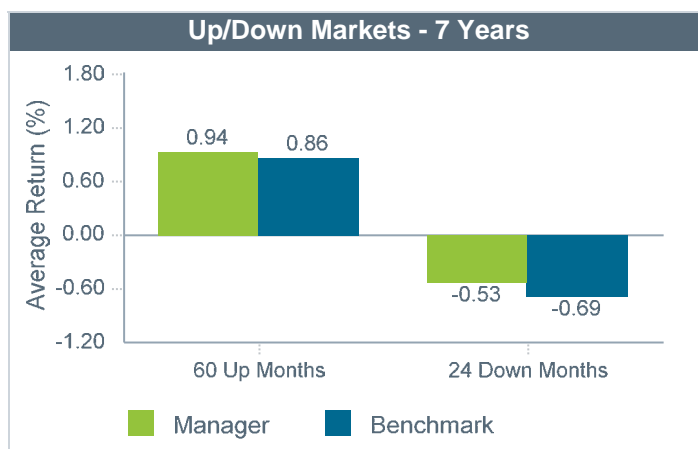
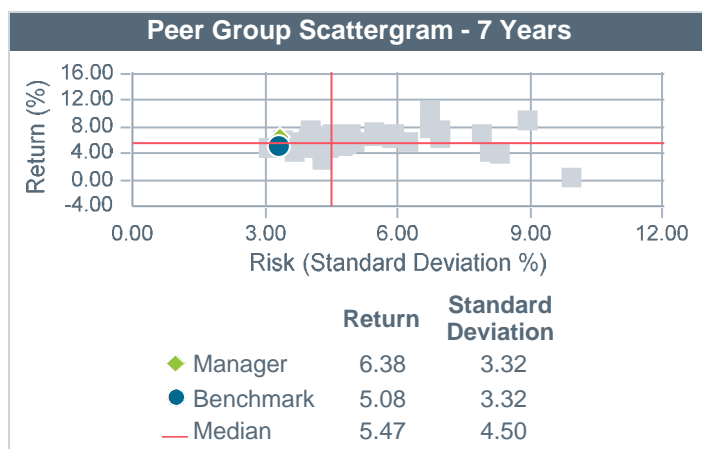
**Up/Down Markets - 10 Years**

**Portfolio Characteristics**

|                       | Portfolio | Benchmark |
|-----------------------|-----------|-----------|
| Effective Duration    | 5.12      | 5.42      |
| Spread Duration       | 3.24      | -         |
| Avg. Maturity         | 6.63      | 7.56      |
| Avg. Quality          | A1        | -         |
| Yield To Maturity (%) | 2.58      | 2.76      |
| Coupon Rate (%)       | 3.47      | 3.66      |
| Current Yield (%)     | 3.36      | 0.13      |
| Holdings Count        | -         | 14,183    |

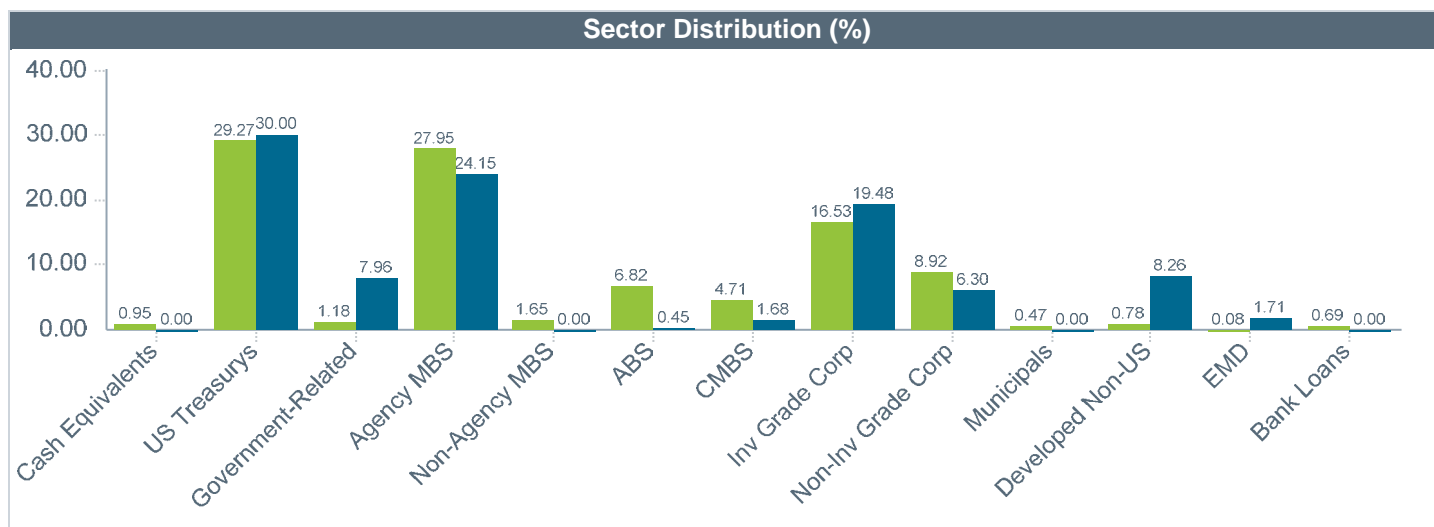
**Sector Distribution (%)**


Performance shown is gross of fees. Calculation is based on monthly periodicity. Allocation to "Other" consists of preferred securities, convertible securities, and currency hedges.

| Performance       |      |        |         |         |         |          |       |      |      |      |       |
|-------------------|------|--------|---------|---------|---------|----------|-------|------|------|------|-------|
|                   | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011 | 2010 | 2009  |
| Manager           | 1.61 | 6.05   | 3.97    | 5.62    | 6.38    | N/A      | -0.82 | 6.84 | 8.24 | 8.04 | 11.57 |
| Benchmark         | 1.34 | 5.56   | 3.20    | 4.81    | 5.08    | 4.92     | -1.35 | 5.53 | 7.40 | 7.16 | 6.24  |
| Difference        | 0.27 | 0.49   | 0.77    | 0.81    | 1.30    | N/A      | 0.53  | 1.31 | 0.84 | 0.88 | 5.33  |
| Peer Group Median | 1.16 | 5.74   | 4.10    | 5.91    | 5.47    | 5.13     | -1.35 | 7.23 | 7.74 | 8.05 | 13.76 |
| Rank              | 22   | 41     | 53      | 57      | 25      | N/A      | 38    | 56   | 31   | 51   | 59    |



| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 5.05      | 5.42      |
| Spread Duration           | 2.76      | -         |
| Avg. Maturity             | 6.87      | 7.56      |
| Avg. Quality              | Aa3       | N/A       |
| Yield To Maturity (%)     | 2.62      | 2.76      |
| Coupon Rate (%)           | 3.54      | 3.66      |
| Current Yield (%)         | 3.44      | 0.13      |
| Holdings Count            | -         | 14,183    |



Performance shown is gross of fees. Calculation is based on monthly periodicity.

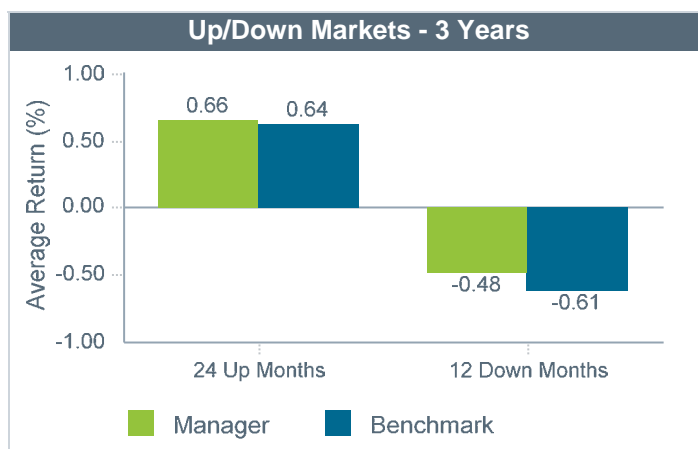
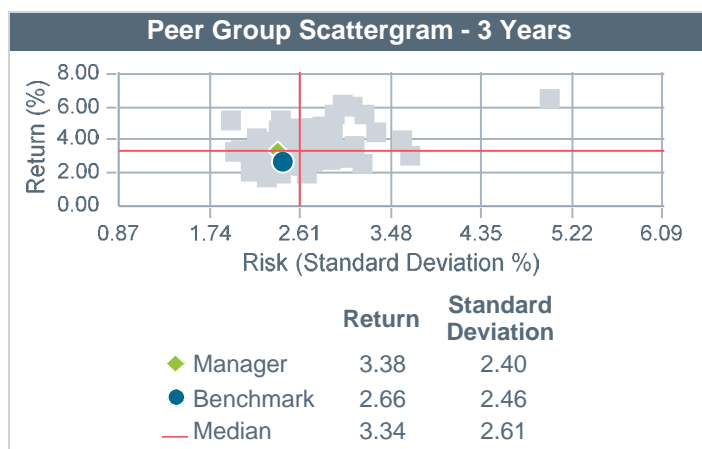
**Manager:** JP Morgan Core (SA)

**As of December 31, 2014**

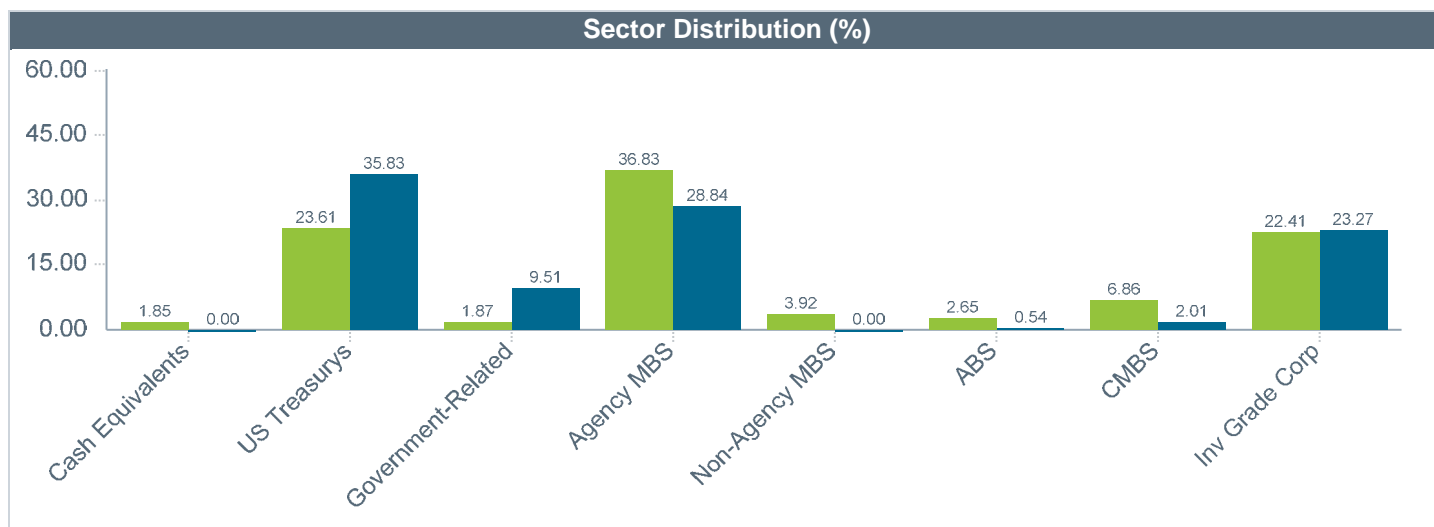
**Benchmark:** Barclays US Agg Bond Index

**Peer Group:** IM U.S. Broad Market Core Fixed Income (SA+CF)

| Performance       |       |        |         |         |         |          |       |      |       |      |      |
|-------------------|-------|--------|---------|---------|---------|----------|-------|------|-------|------|------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011  | 2010 | 2009 |
| Manager           | 1.61  | 5.89   | 3.38    | N/A     | N/A     | N/A      | -1.40 | 5.83 | 7.66  | N/A  | N/A  |
| Benchmark         | 1.79  | 5.97   | 2.66    | 4.45    | 4.77    | 4.71     | -2.02 | 4.21 | 7.84  | 6.54 | 5.93 |
| Difference        | -0.18 | -0.08  | 0.72    | N/A     | N/A     | N/A      | 0.62  | 1.62 | -0.18 | N/A  | N/A  |
| Peer Group Median | 1.71  | 6.15   | 3.34    | 5.07    | 5.32    | 5.11     | -1.56 | 5.73 | 7.84  | 7.22 | 9.79 |
| Rank              | 64    | 71     | 49      | N/A     | N/A     | N/A      | 40    | 50   | 60    | N/A  | N/A  |



| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 4.83      | 5.55      |
| Spread Duration           | 3.52      | 5.70      |
| Avg. Maturity             | 6.28      | 7.69      |
| Avg. Quality              | Aa1/Aa2   | Aa1/Aa2   |
| Yield To Maturity (%)     | 2.25      | 2.25      |
| Coupon Rate (%)           | 4.02      | 3.28      |
| Current Yield (%)         | 3.85      | -         |
| Holdings Count            | 800       | 9,079     |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.



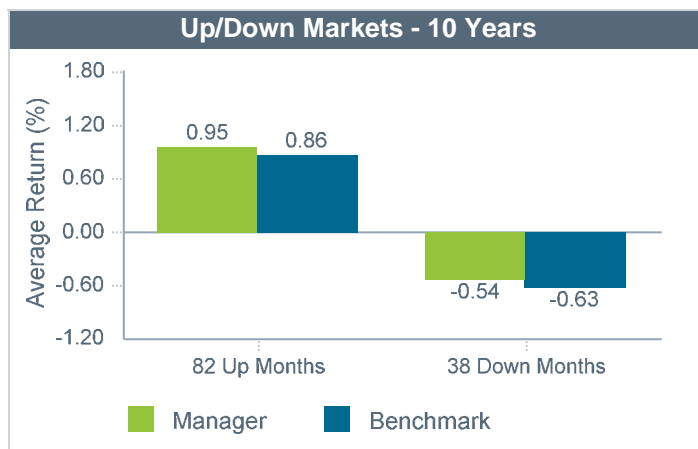
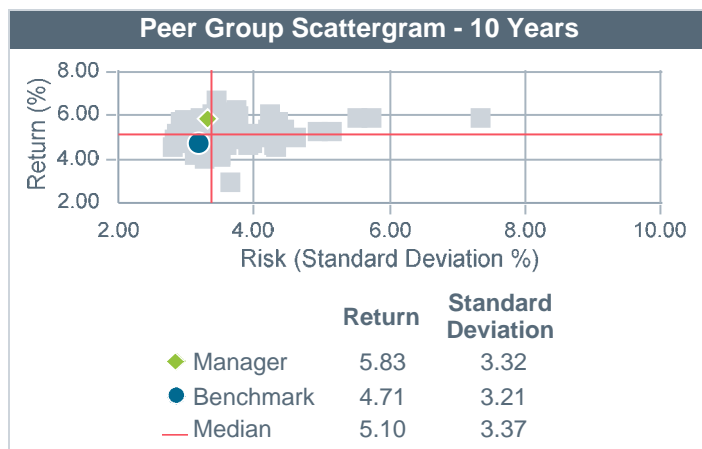
**Manager: Wells Core (SA)**

**As of December 31, 2014**

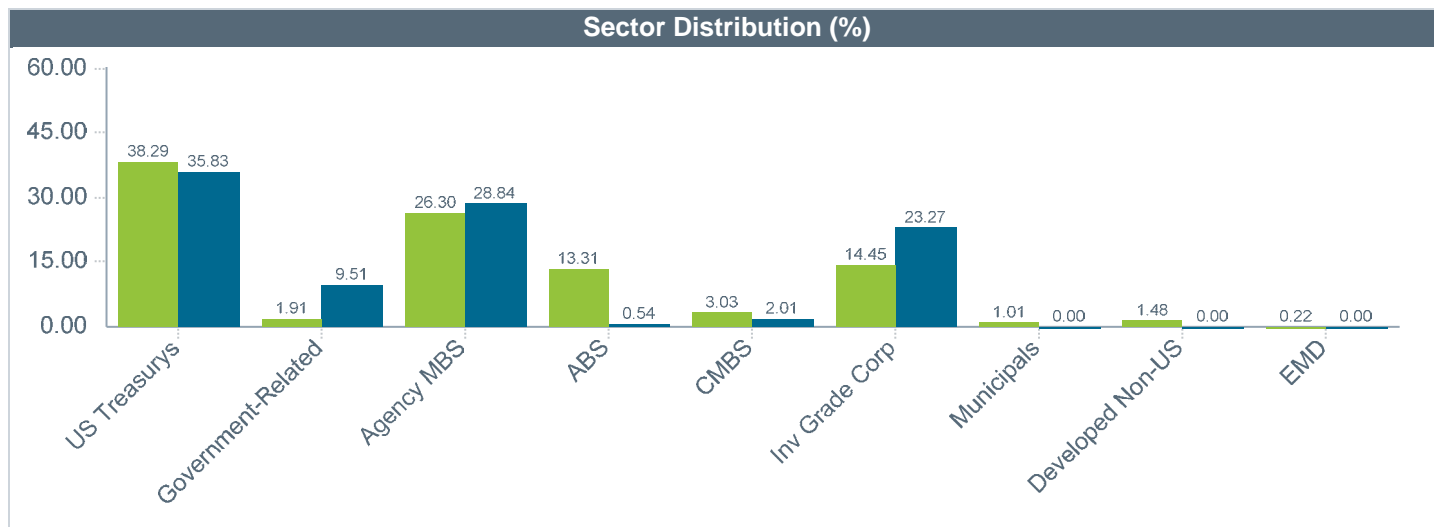
**Benchmark:** Barclays US Agg Bond Index

**Peer Group:** IM U.S. Broad Market Core Fixed Income (SA+CF)

| Performance       |      |        |         |         |         |          |       |      |      |      |       |
|-------------------|------|--------|---------|---------|---------|----------|-------|------|------|------|-------|
|                   | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011 | 2010 | 2009  |
| Manager           | 1.92 | 6.32   | 3.64    | 5.54    | 6.26    | 5.83     | -1.81 | 6.64 | 9.08 | 7.81 | 11.24 |
| Benchmark         | 1.79 | 5.97   | 2.66    | 4.45    | 4.77    | 4.71     | -2.02 | 4.21 | 7.84 | 6.54 | 5.93  |
| Difference        | 0.13 | 0.35   | 0.98    | 1.09    | 1.49    | 1.12     | 0.21  | 2.43 | 1.24 | 1.27 | 5.31  |
| Peer Group Median | 1.71 | 6.15   | 3.34    | 5.07    | 5.32    | 5.11     | -1.56 | 5.73 | 7.84 | 7.22 | 9.79  |
| Rank              | 12   | 36     | 35      | 25      | 6       | 7        | 65    | 30   | 5    | 34   | 36    |



| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 5.52      | 5.55      |
| Spread Duration           | 3.36      | 5.70      |
| Avg. Maturity             | 6.77      | 7.69      |
| Avg. Quality              | Aa2       | Aa1/Aa2   |
| Yield To Maturity (%)     | 2.15      | 2.25      |
| Coupon Rate (%)           | 2.37      | 3.28      |
| Current Yield (%)         | 2.31      | -         |
| Holdings Count            | 558       | 9,079     |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.

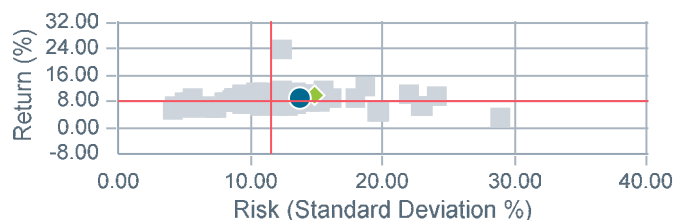




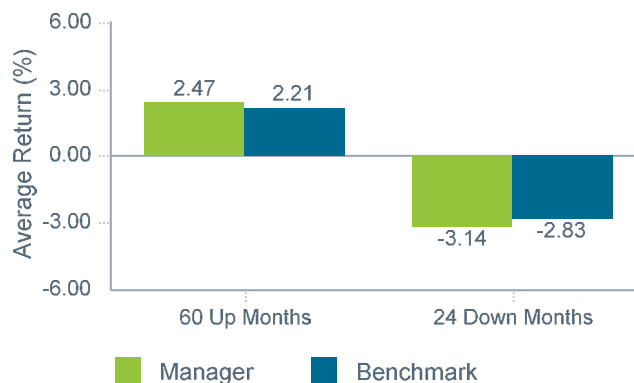
**Manager: Loomis High Yield (SA)**
**As of December 31, 2014**
**Benchmark:** Barclays US Hi Yld - 2% Issuer Cap Index

**Peer Group:** IM U.S. High Yield Bonds (SA+CF)

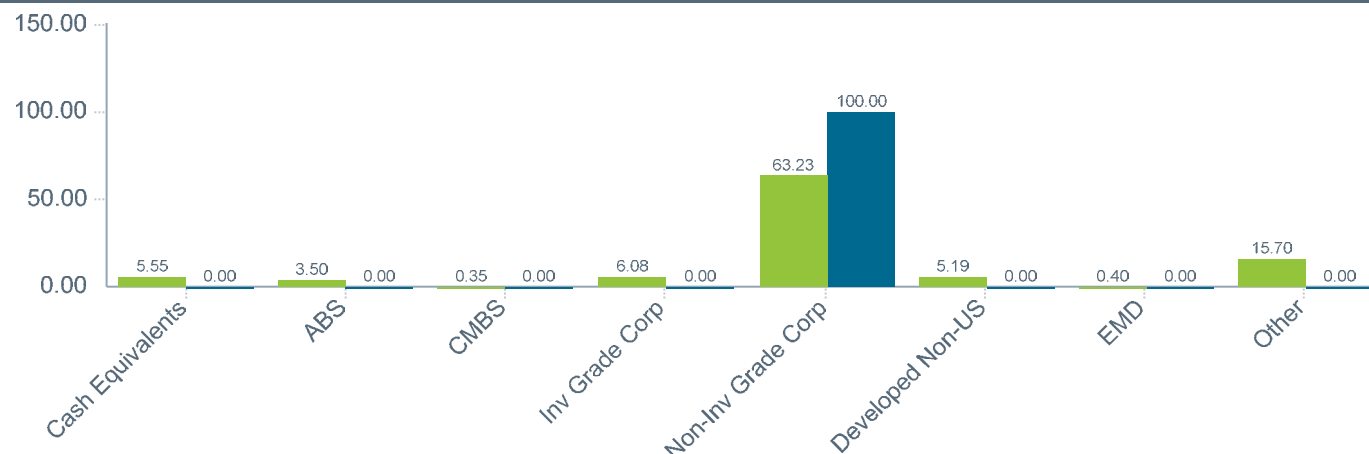
| Performance       |       |        |         |         |         |          |      |       |       |       |       |
|-------------------|-------|--------|---------|---------|---------|----------|------|-------|-------|-------|-------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013 | 2012  | 2011  | 2010  | 2009  |
| Manager           | -0.04 | 6.30   | 11.95   | 11.05   | 10.01   | N/A      | 7.50 | 22.77 | 2.08  | 17.92 | 59.48 |
| Benchmark         | -1.00 | 2.46   | 8.42    | 8.98    | 8.84    | 7.73     | 7.44 | 15.78 | 4.96  | 14.94 | 58.76 |
| Difference        | 0.96  | 3.84   | 3.53    | 2.07    | 1.17    | N/A      | 0.06 | 6.99  | -2.88 | 2.98  | 0.72  |
| Peer Group Median | -0.83 | 2.80   | 8.48    | 9.15    | 8.37    | 7.64     | 7.57 | 15.37 | 5.26  | 15.04 | 44.92 |
| Rank              | 23    | 3      | 4       | 5       | 6       | N/A      | 51   | 3     | 90    | 16    | 13    |

**Peer Group Scattergram - 7 Years**


|             | Return | Standard Deviation |
|-------------|--------|--------------------|
| ◆ Manager   | 10.01  | 14.95              |
| ● Benchmark | 8.84   | 13.83              |
| — Median    | 8.37   | 11.54              |

**Up/Down Markets - 7 Years**

**Portfolio Characteristics**

|                       | Portfolio | Benchmark |
|-----------------------|-----------|-----------|
| Effective Duration    | 5.22      | 4.34      |
| Spread Duration       | 5.31      | 4.39      |
| Avg. Maturity         | 8.08      | 6.46      |
| Avg. Quality          | Ba3       | B1/B2     |
| Yield To Maturity (%) | 5.43      | 6.90      |
| Coupon Rate (%)       | 5.50      | 6.89      |
| Current Yield (%)     | 5.25      | -         |
| Holdings Count        | 304       | 2,229     |

**Sector Distribution (%)**


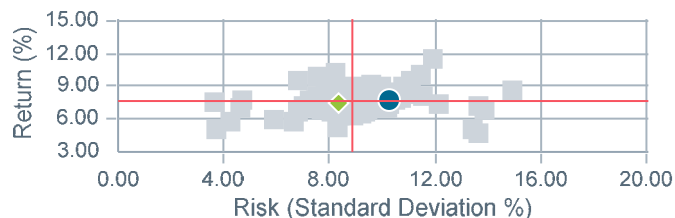
Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity. Allocation to "Other" consists of preferred securities, convertible securities, and currency hedges.

**Manager: Wells High Yield (SA)**

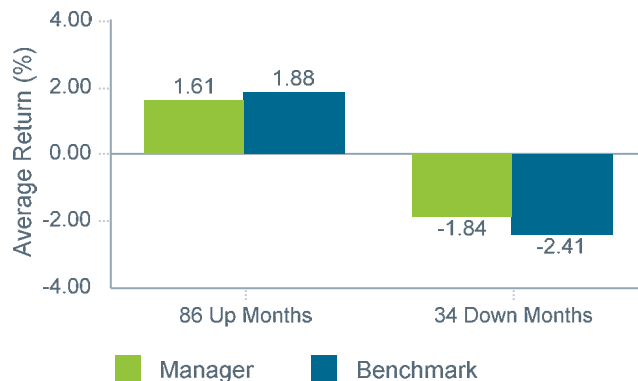
As of December 31, 2014

**Benchmark:** Barclays US Hi Yld - 2% Issuer Cap Index**Peer Group:** IM U.S. High Yield Bonds (SA+CF)

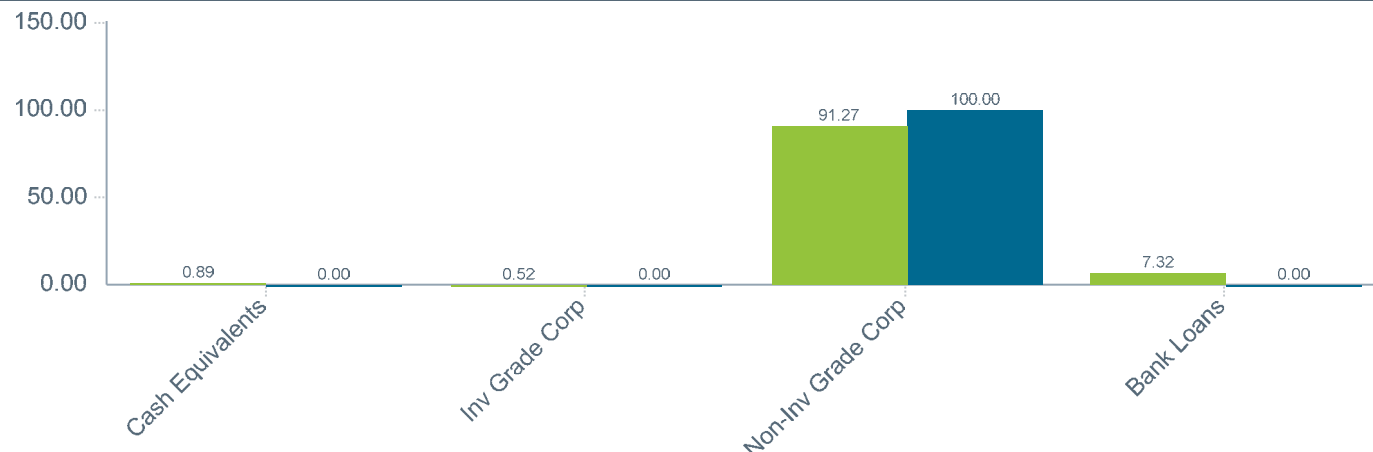
| Performance       |       |        |         |         |         |          |       |       |      |       |        |
|-------------------|-------|--------|---------|---------|---------|----------|-------|-------|------|-------|--------|
|                   | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011 | 2010  | 2009   |
| Manager           | 0.24  | 4.69   | 7.84    | 8.40    | 8.19    | 7.44     | 5.84  | 13.16 | 5.55 | 13.11 | 46.79  |
| Benchmark         | -1.00 | 2.46   | 8.42    | 8.98    | 8.84    | 7.73     | 7.44  | 15.78 | 4.96 | 14.94 | 58.76  |
| Difference        | 1.24  | 2.23   | -0.58   | -0.58   | -0.65   | -0.29    | -1.60 | -2.62 | 0.59 | -1.83 | -11.97 |
| Peer Group Median | -0.83 | 2.80   | 8.48    | 9.15    | 8.37    | 7.64     | 7.57  | 15.37 | 5.26 | 15.04 | 44.92  |
| Rank              | 19    | 13     | 66      | 79      | 58      | 59       | 86    | 81    | 45   | 82    | 44     |

**Peer Group Scattergram - 10 Years**

|             | Return | Standard Deviation |
|-------------|--------|--------------------|
| ◆ Manager   | 7.44   | 8.37               |
| ● Benchmark | 7.73   | 10.28              |
| — Median    | 7.64   | 8.84               |

**Up/Down Markets - 10 Years****Portfolio Characteristics**

|                       | Portfolio | Benchmark |
|-----------------------|-----------|-----------|
| Effective Duration    | 3.96      | 4.34      |
| Spread Duration       | -2.66     | 4.39      |
| Avg. Maturity         | 6.99      | 6.46      |
| Avg. Quality          | B1        | B1/B2     |
| Yield To Maturity (%) | 6.56      | 6.90      |
| Coupon Rate (%)       | 6.71      | 6.89      |
| Current Yield (%)     | 6.70      | -         |
| Holdings Count        | 270       | 2,229     |

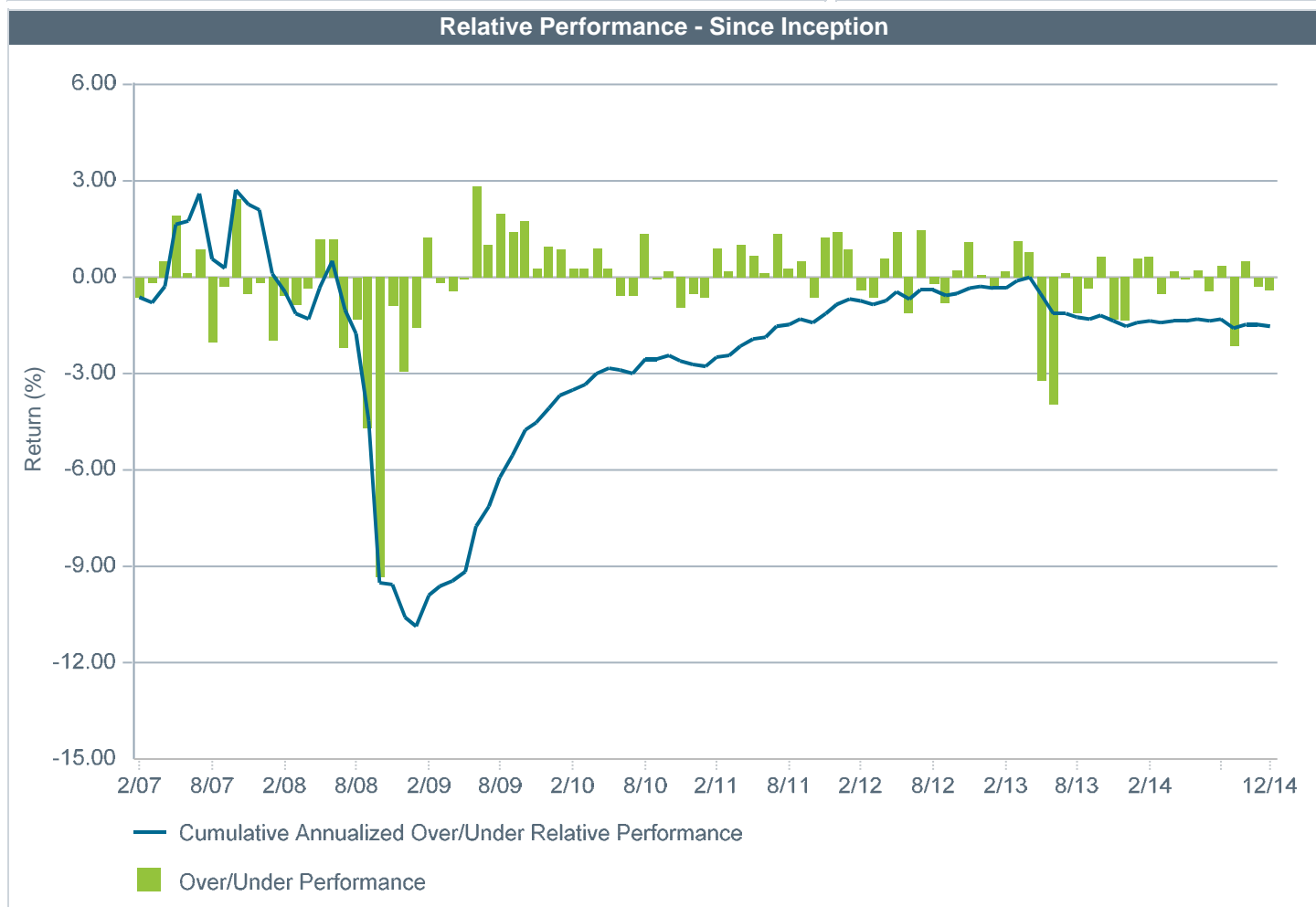
**Sector Distribution (%)**

Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.



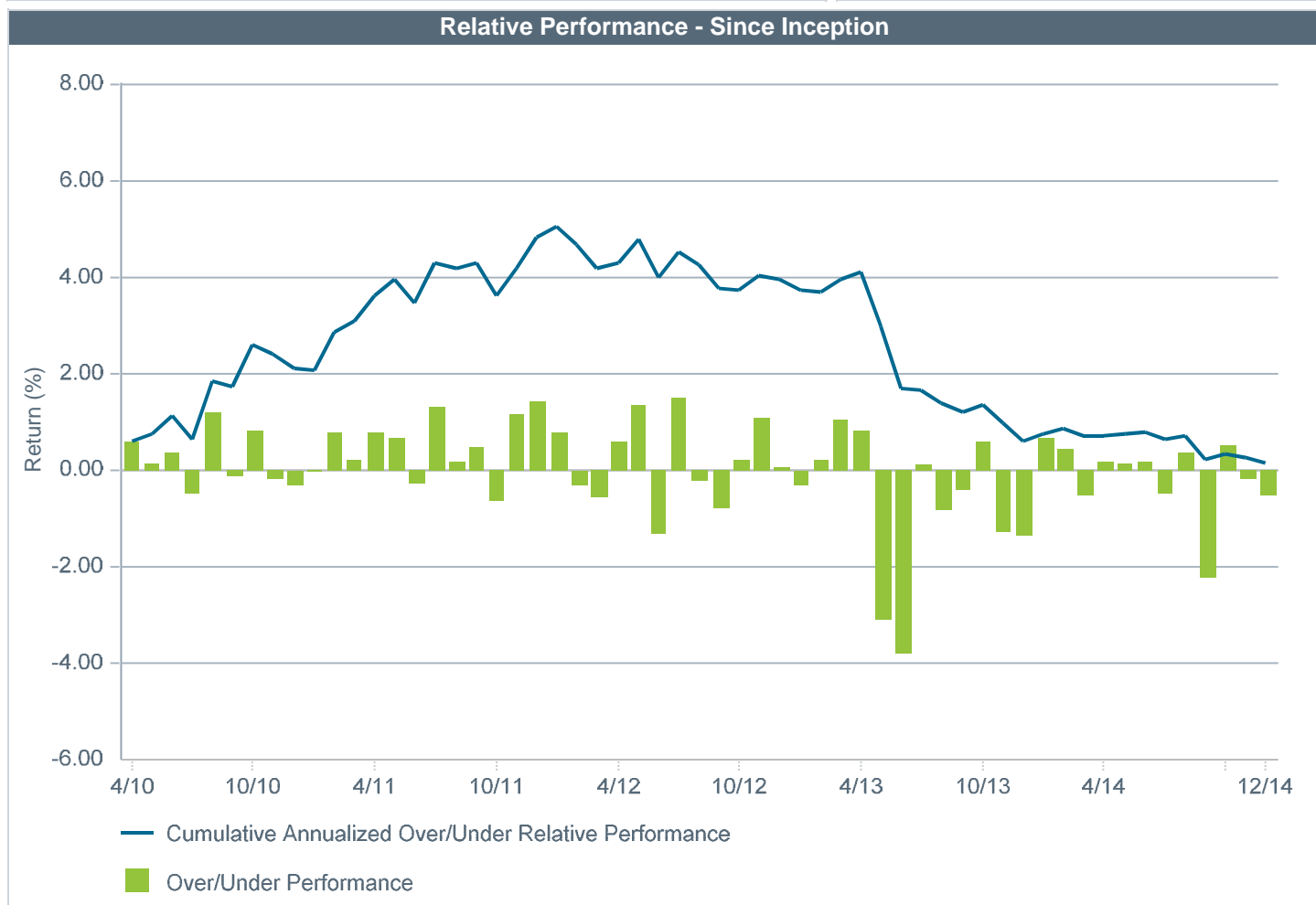
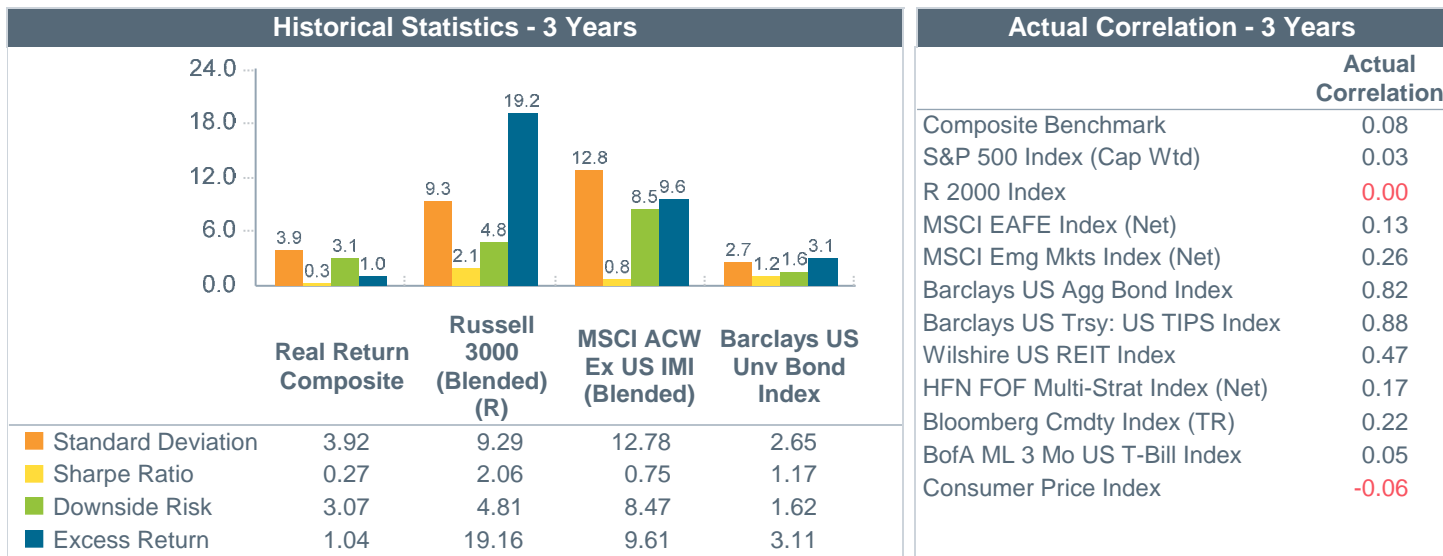
| Performance |       |        |         |         |         |          |       |      |      |      |       |
|-------------|-------|--------|---------|---------|---------|----------|-------|------|------|------|-------|
|             | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011 | 2010 | 2009  |
| Manager     | 0.02  | 2.21   | 0.89    | 3.40    | 1.53    | N/A      | -4.88 | 5.62 | 9.97 | 4.67 | 13.19 |
| Benchmark   | 0.17  | 3.70   | 3.60    | 3.40    | 3.62    | 4.75     | 3.98  | 3.11 | 3.11 | 3.13 | 3.21  |
| Difference  | -0.15 | -1.49  | -2.71   | 0.00    | -2.09   | N/A      | -8.86 | 2.51 | 6.86 | 1.54 | 9.98  |

| Historical Statistics - 7 Years |      |       |       |      | Actual Correlation - 7 Years    |       |
|---------------------------------|------|-------|-------|------|---------------------------------|-------|
|                                 |      |       |       |      | Actual Correlation              |       |
|                                 |      |       |       |      | Composite Benchmark             | -0.20 |
|                                 |      |       |       |      | S&P 500 Index (Cap Wtd)         | 0.30  |
|                                 |      |       |       |      | R 2000 Index                    | 0.24  |
|                                 |      |       |       |      | MSCI EAFE Index (Net)           | 0.32  |
|                                 |      |       |       |      | MSCI Emg Mkts Index (Net)       | 0.38  |
|                                 |      |       |       |      | Barclays US Agg Bond Index      | 0.42  |
|                                 |      |       |       |      | Barclays US Trsy: US TIPS Index | 0.58  |
|                                 |      |       |       |      | Wilshire US REIT Index          | 0.30  |
|                                 |      |       |       |      | HFN FOF Multi-Strat Index (Net) | 0.53  |
|                                 |      |       |       |      | Bloomberg Cmdty Index (TR)      | 0.42  |
|                                 |      |       |       |      | BofA ML 3 Mo US T-Bill Index    | -0.32 |
|                                 |      |       |       |      | Consumer Price Index            | 0.32  |
| Standard Deviation              | 5.52 | 17.35 | 21.18 | 3.52 |                                 |       |
| Sharpe Ratio                    | 0.23 | 0.48  | 0.08  | 1.28 |                                 |       |
| Downside Risk                   | 4.55 | 12.38 | 15.67 | 2.01 |                                 |       |
| Excess Return                   | 1.29 | 8.45  | 1.70  | 4.56 |                                 |       |



Performance shown is gross of fees. Calculation is based on monthly periodicity.

| Performance |       |        |         |         |         |          |       |      |      |      |      |
|-------------|-------|--------|---------|---------|---------|----------|-------|------|------|------|------|
|             | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012 | 2011 | 2010 | 2009 |
| Manager     | 0.00  | 2.26   | 1.04    | N/A     | N/A     | N/A      | -4.45 | 5.58 | 9.69 | N/A  | N/A  |
| Benchmark   | 0.17  | 3.70   | 3.60    | 3.40    | 3.62    | 4.75     | 3.98  | 3.11 | 3.11 | 3.13 | 3.21 |
| Difference  | -0.17 | -1.44  | -2.56   | N/A     | N/A     | N/A      | -8.43 | 2.47 | 6.58 | N/A  | N/A  |



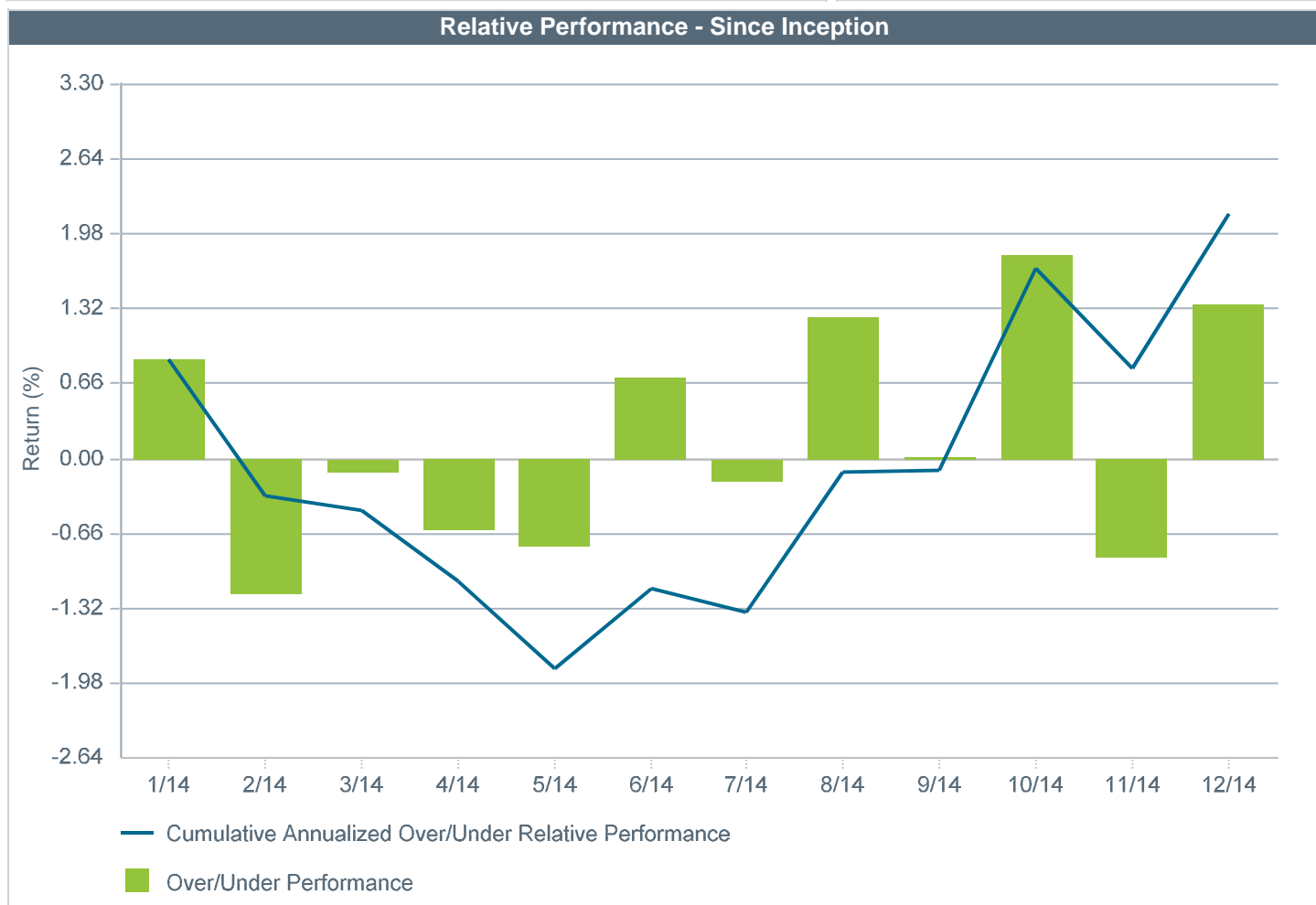
Manager: GAM Divergent (CF) (Lagged-1 Mo)

As of December 31, 2014

Benchmark: BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo)

| Performance |      |        |         |         |         |          |      |      |      |      |      |
|-------------|------|--------|---------|---------|---------|----------|------|------|------|------|------|
|             | QTD  | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013 | 2012 | 2011 | 2010 | 2009 |
| Manager     | 3.04 | 5.28   | N/A     | N/A     | N/A     | N/A      | N/A  | N/A  | N/A  | N/A  | N/A  |
| Benchmark   | 0.75 | 3.05   | 3.07    | 3.09    | 3.44    | 4.61     | 3.08 | 3.10 | 3.13 | 3.12 | 3.21 |
| Difference  | 2.29 | 2.23   | N/A     | N/A     | N/A     | N/A      | N/A  | N/A  | N/A  | N/A  | N/A  |

| Historical Statistics - 1 Year |      |       |       |      | Actual Correlation - 1 Year     |       |
|--------------------------------|------|-------|-------|------|---------------------------------|-------|
|                                |      |       |       |      | Actual Correlation              |       |
|                                |      |       |       |      | Manager Benchmark               | 0.02  |
|                                |      |       |       |      | S&P 500 Index (Cap Wtd)         | -0.19 |
|                                |      |       |       |      | R 2000 Index                    | 0.40  |
|                                |      |       |       |      | MSCI EAFE Index (Net)           | -0.63 |
|                                |      |       |       |      | MSCI Emg Mkts Index (Net)       | -0.29 |
|                                |      |       |       |      | Barclays US Agg Bond Index      | 0.12  |
|                                |      |       |       |      | Barclays US Trsy: US TIPS Index | -0.11 |
|                                |      |       |       |      | Wilshire US REIT Index          | 0.29  |
|                                |      |       |       |      | HFN FOF Multi-Strat Index (Net) | -0.36 |
|                                |      |       |       |      | Bloomberg Cmtty Index (TR)      | -0.28 |
|                                |      |       |       |      | BofA ML 3 Mo US T-Bill Index    | 0.12  |
|                                |      |       |       |      | Consumer Price Index            | -0.41 |
| Standard Deviation             | 3.31 | 8.40  | 9.44  | 2.27 |                                 |       |
| Sharpe Ratio                   | 1.43 | 1.45  | -0.38 | 2.39 |                                 |       |
| Downside Risk                  | 1.38 | 4.27  | 7.47  | 0.88 |                                 |       |
| Excess Return                  | 4.74 | 12.20 | -3.55 | 5.41 |                                 |       |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.

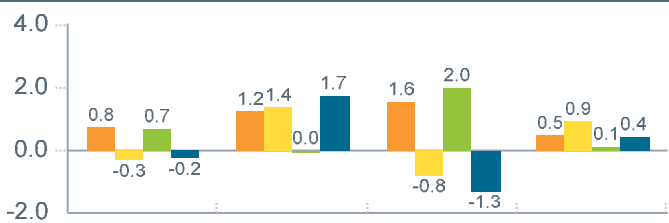


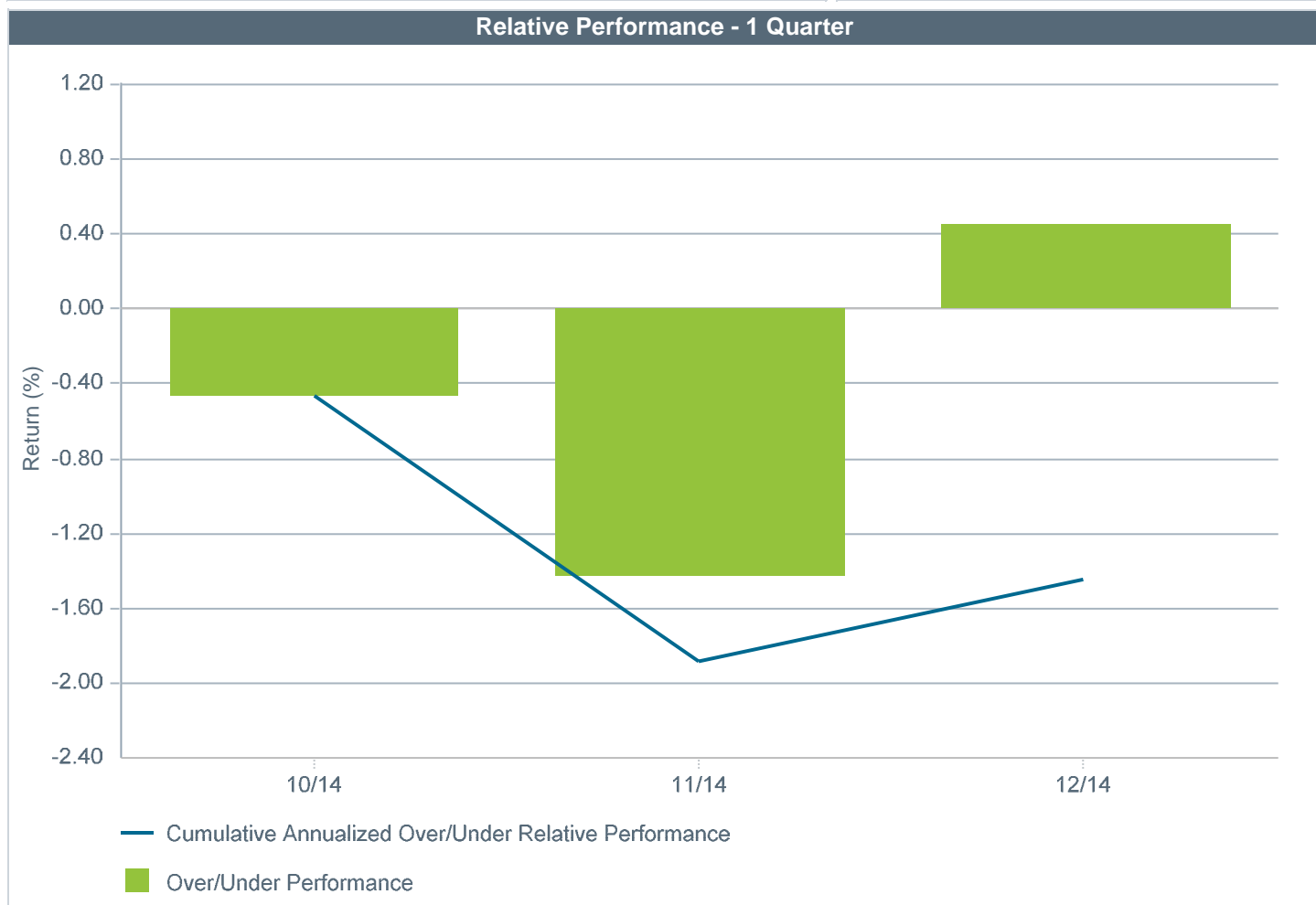
Manager: Morgan Stanley AIP (CF) (Lagged-1 Mo)

As of December 31, 2014

Benchmark: BofA ML 3 Mo US T-Bill Index + 3% (Lagged-1 Mo)

| Performance |       |        |         |         |         |          |      |      |      |      |      |
|-------------|-------|--------|---------|---------|---------|----------|------|------|------|------|------|
|             | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013 | 2012 | 2011 | 2010 | 2009 |
| Manager     | -0.71 | N/A    | N/A     | N/A     | N/A     | N/A      | N/A  | N/A  | N/A  | N/A  | N/A  |
| Benchmark   | 0.75  | 3.05   | 3.07    | 3.09    | 3.44    | 4.61     | 3.08 | 3.10 | 3.13 | 3.12 | 3.21 |
| Difference  | -1.46 | N/A    | N/A     | N/A     | N/A     | N/A      | N/A  | N/A  | N/A  | N/A  | N/A  |

| Historical Statistics - 1 Quarter   |                                       |                            |                              |                            | Actual Correlation - 1 Quarter  |                    |
|---|---------------------------------------|----------------------------|------------------------------|----------------------------|---------------------------------|--------------------|
|  |                                       |                            |                              |                            |                                 |                    |
|   | Morgan Stanley AIP (CF) (Lagged-1 Mo) | Russell 3000 (Blended) (R) | MSCI ACW Ex US IMI (Blended) | Barclays US Unv Bond Index |                                 | Actual Correlation |
| Standard Deviation  | 0.77                                  | 1.23                       | 1.59                         | 0.48                       | Manager Benchmark               | 0.34               |
| Sharpe Ratio  | -0.30                                 | 1.40                       | -0.82                        | 0.93                       | S&P 500 Index (Cap Wtd)         | -0.89              |
| Downside Risk   | 0.70                                  | 0.00                       | 2.02                         | 0.10                       | R 2000 Index                    | 0.44               |
| Excess Return   | -0.23                                 | 1.72                       | -1.30                        | 0.44                       | MSCI EAFE Index (Net)           | -1.00              |
|   |                                       |                            |                              |                            | MSCI Emg Mkts Index (Net)       | -0.59              |
|   |                                       |                            |                              |                            | Barclays US Agg Bond Index      | -0.66              |
|   |                                       |                            |                              |                            | Barclays US Trsy: US TIPS Index | -0.67              |
|   |                                       |                            |                              |                            | Wilshire US REIT Index          | 0.00               |
|   |                                       |                            |                              |                            | HFN FOF Multi-Strat Index (Net) | -0.50              |
|   |                                       |                            |                              |                            | Bloomberg Cmtty Index (TR)      | -0.51              |
|   |                                       |                            |                              |                            | BofA ML 3 Mo US T-Bill Index    | -0.88              |
|   |                                       |                            |                              |                            | Consumer Price Index            | -0.06              |

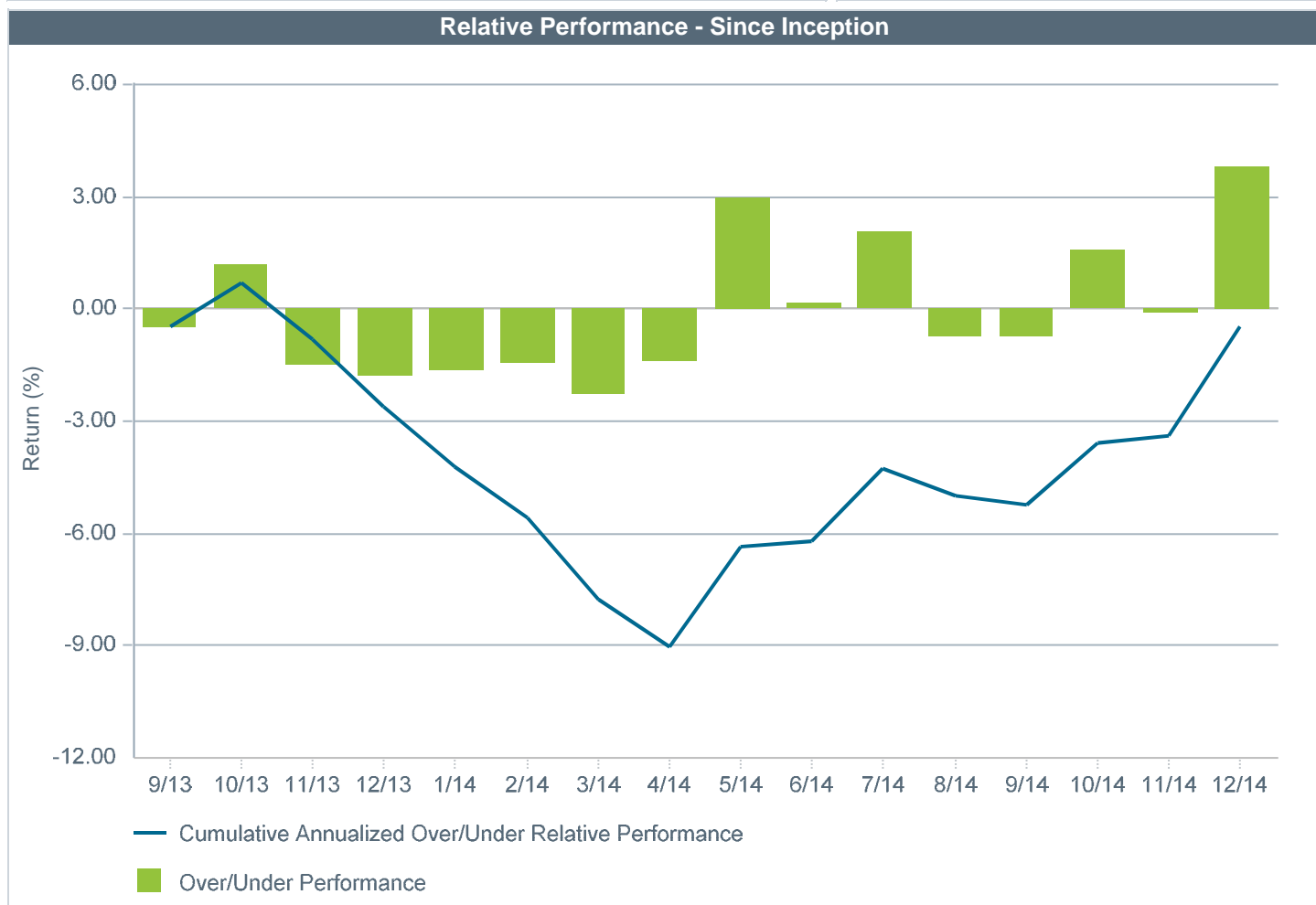


Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.



| Performance |        |        |         |         |         |          |       |       |        |       |       |
|-------------|--------|--------|---------|---------|---------|----------|-------|-------|--------|-------|-------|
|             | QTD    | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011   | 2010  | 2009  |
| Manager     | -7.39  | -15.29 | N/A     | N/A     | N/A     | N/A      | N/A   | N/A   | N/A    | N/A   | N/A   |
| Benchmark   | -12.10 | -17.01 | -9.43   | -5.53   | -7.59   | -1.86    | -9.52 | -1.06 | -13.32 | 16.83 | 18.91 |
| Difference  | 4.71   | 1.72   | N/A     | N/A     | N/A     | N/A      | N/A   | N/A   | N/A    | N/A   | N/A   |

| Historical Statistics - 1 Year |                        |                            |                              |                            | Actual Correlation - 1 Year     |                    |
|--------------------------------|------------------------|----------------------------|------------------------------|----------------------------|---------------------------------|--------------------|
|                                |                        |                            |                              |                            |                                 |                    |
|                                | Invesco Commodity (CF) | Russell 3000 (Blended) (R) | MSCI ACW Ex US IMI (Blended) | Barclays US Unv Bond Index |                                 | Actual Correlation |
| Standard Deviation             | 10.10                  | 8.40                       | 9.44                         | 2.27                       | Manager Benchmark               | 0.88               |
| Sharpe Ratio                   | -1.58                  | 1.45                       | -0.38                        | 2.39                       | S&P 500 Index (Cap Wtd)         | 0.54               |
| Downside Risk                  | 9.95                   | 4.27                       | 7.47                         | 0.88                       | R 2000 Index                    | 0.53               |
| Excess Return                  | -16.00                 | 12.20                      | -3.55                        | 5.41                       | MSCI EAFE Index (Net)           | 0.74               |
|                                |                        |                            |                              |                            | MSCI Emg Mkts Index (Net)       | 0.64               |
|                                |                        |                            |                              |                            | Barclays US Agg Bond Index      | 0.46               |
|                                |                        |                            |                              |                            | Barclays US Trsy: US TIPS Index | 0.64               |
|                                |                        |                            |                              |                            | Wilshire US REIT Index          | 0.68               |
|                                |                        |                            |                              |                            | HFN FOF Multi-Strat Index (Net) | 0.28               |
|                                |                        |                            |                              |                            | BofA ML 3 Mo US T-Bill Index    | -0.16              |
|                                |                        |                            |                              |                            | Consumer Price Index            | 0.45               |



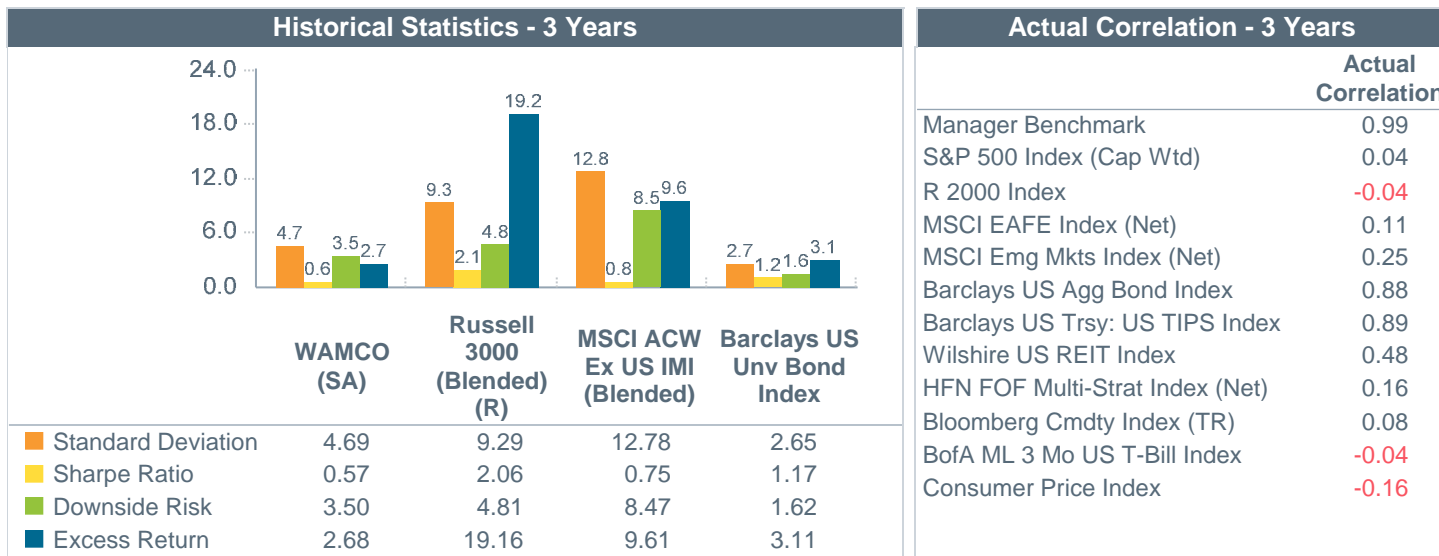
Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.

Manager: WAMCO (SA)

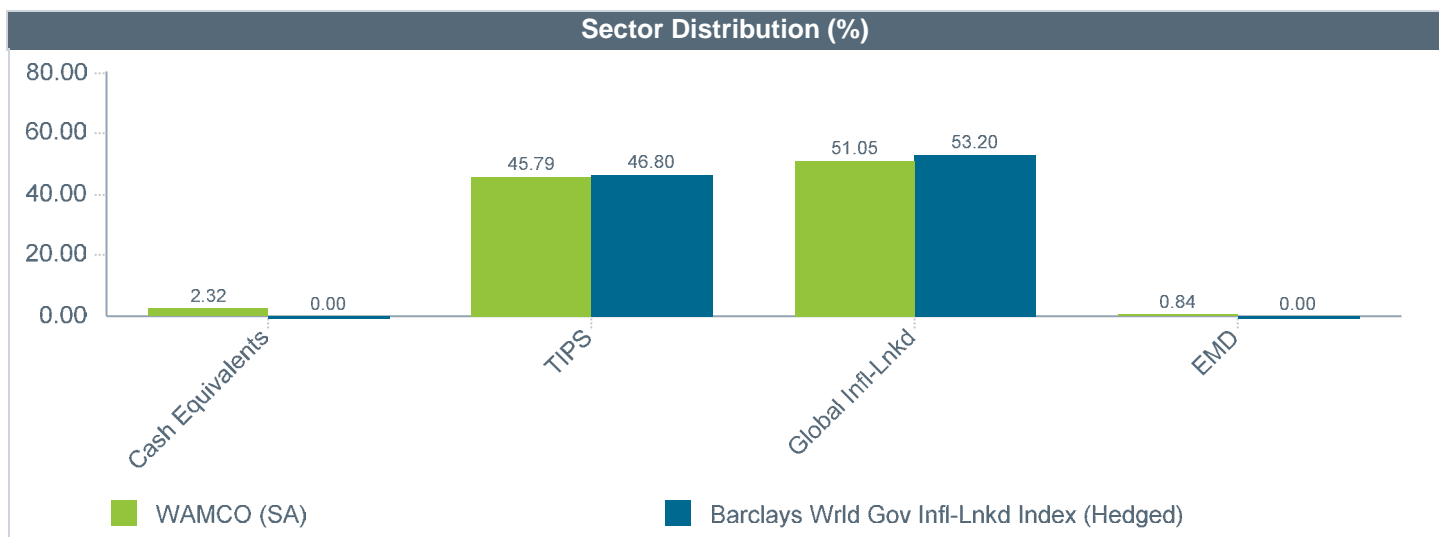
As of December 31, 2014

Benchmark: Barclays Wrld Gov Infl-Lnkd Index (Hedged)

| Performance |       |        |         |         |         |          |       |       |       |      |      |
|-------------|-------|--------|---------|---------|---------|----------|-------|-------|-------|------|------|
|             | QTD   | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years | 2013  | 2012  | 2011  | 2010 | 2009 |
| Manager     | 1.82  | 8.75   | 2.68    | N/A     | N/A     | N/A      | -5.64 | 5.48  | 11.00 | N/A  | N/A  |
| Benchmark   | 2.59  | 9.04   | 2.85    | 4.96    | 4.85    | 4.89     | -5.51 | 5.60  | 11.08 | 5.43 | 8.83 |
| Difference  | -0.77 | -0.29  | -0.17   | N/A     | N/A     | N/A      | -0.13 | -0.12 | -0.08 | N/A  | N/A  |



| Portfolio Characteristics |           |           |
|---------------------------|-----------|-----------|
|                           | Portfolio | Benchmark |
| Effective Duration        | 10.71     | 12.20     |
| Spread Duration           | 10.68     | -         |
| Avg. Maturity             | 11.54     | -         |
| Avg. Quality              | Aa1       | Aaa       |
| Yield To Maturity (%)     | 1.32      | -         |
| Coupon Rate (%)           | 0.81      | 1.14      |
| Yield To Worst (%)        | -0.17     | -         |
| Current Yield (%)         | 0.00      | -         |
| Holdings Count            | -         | 114       |



Performance shown is gross of fees and representative of the Retirement Plan. Calculation is based on monthly periodicity.



| <b>Asset Class</b>                           | <b>Short-term<br/>(Rolling 12 month periods)</b>                                    | <b>Medium-term<br/>(Rolling 36 month periods)</b>  | <b>Long-term<br/>(Rolling 60 month periods)</b>  |
|--|---|--|--|
| Active Domestic Equity                       | Portfolio Return < Benchmark Return - 3.0% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 1.5% at 2 consecutive calendar qtr end dates.  | VRR < 0.98 at 2 consecutive calendar qtr end dates.  |
| Passive Domestic Equity                      | Tracking Error > 0.35% at 2 consecutive calendar qtr end dates.                     | Tracking Error > 0.20% at 2 consecutive calendar qtr end dates.                                      | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 0.10% at 2 consecutive calendar qtr end dates. |
| Active International Equity                  | Portfolio Return < Benchmark Return - 4.5% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 2.5% for 2 consecutive calendar qtr end dates. | VRR < 0.98 at 2 consecutive calendar qtr end dates.  |
| Passive International Equity                 | Tracking Error > 0.70% at 2 consecutive calendar qtr end dates.                     | Tracking Error > 0.60% at 2 consecutive calendar qtr end dates.                                      | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 0.15% at 2 consecutive calendar qtr end dates. |
| Active Principal Protection (Fixed Income)   | Portfolio Return < Benchmark Return - 1.6% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 0.7% at 2 consecutive calendar qtr end dates.  | VRR < 0.98 at 2 consecutive calendar qtrs.   |
| Active Extended Global Credit (Fixed Income) | Portfolio Return < Benchmark Return - 3.3% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 1.4% at 2 consecutive calendar qtr end dates.  | VRR < 0.96 at 2 consecutive calendar qtrs.   |
| Active U.S. Bank Loans (Fixed Income)        | Portfolio Return < Benchmark Return - 2.5% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 1.0% at 2 consecutive calendar qtr end dates.  | VRR < 0.97 at 2 consecutive calendar qtrs.   |
| Hedge Fund of Funds (Real Return)            | Portfolio Return < Benchmark Return - 3.5% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 2.5% at 2 consecutive calendar qtr end dates.  | VRR < 1.00 at 2 consecutive calendar qtr end dates.  |
| Active Commodities                           | Portfolio Return < Benchmark Return - 3.5% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return -2.5% at 2 consecutive calendar qtr end dates.   | VRR < 0.99 at 2 consecutive calendar qtr end dates   |
| Active Covered Calls                         | Portfolio Return < Benchmark Return -3.0% for 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return -1.5% for 2 consecutive calendar qtr end dates.  | VRR < 0.98 at 2 consecutive calendar qtr end dates.  |
| Passive Covered Calls                        | Portfolio Return < Benchmark Return -1.0% for 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return -0.75% for 2 consecutive calendar qtr end dates. | VRR < 0.98 at 2 consecutive calendar qtr end dates.  |
| GILS (Real Return)                           | Portfolio Return < Benchmark Return - 2.0% at 2 consecutive calendar qtr end dates. | Portfolio Annlzd. Return < Benchmark Annlzd. Return - 1.5% at 2 consecutive calendar qtr end dates.  | VRR < 0.99 at 2 consecutive calendar qtr end dates.  |

All portfolio returns are evaluated gross of manager fees, except for Hedge Fund of Funds which are evaluated net of manager fees.  
VRR (Value Relative Ratio) is calculated as: Portfolio Cumulative Return Relative divided by the Benchmark Cumulative Return Relative.

| Time Period          | Asset Class          | Target | Change | Policy Benchmarks   |
|----------------------|----------------------|--------|--------|---|
| 10/1/2014 - Present  | Domestic Equity      | 33%    | -      | Russell 3000  |
|                      | International Equity | 21%    | -      | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 24%    | -      | BC Universal  |
|                      | Covered Calls        | 5%     | -      | CBOE BXM  |
|                      | Real Estate          | 5%     | -      | NCREIF Lag  |
|                      | Private Equity       | 5%     | -      | Russell 3000 + 3% Lag   |
|                      | Real Return          | 6%     | -      | CPI + 3%  |
|                      | Cash                 | 1%     | -      | T-Bill  |
| 7/1/2013 - 9/30/2014 | Domestic Equity      | 33%    | -1%    | Russell 3000  |
|                      | International Equity | 21%    | -      | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 24%    | -1%    | BC Universal  |
|                      | Covered Calls        | 5%     | -      | CBOE BXM  |
|                      | Real Estate          | 5%     | +1%    | NCREIF Lag  |
|                      | Private Equity       | 5%     | +1%    | Russell 3000 + 3% Lag   |
|                      | Real Return          | 6%     | -      | CPI + 3% Lag  |
|                      | Cash                 | 1%     | -      | T-Bill  |
| 4/1/2012-6/30/2013   | Domestic Equity      | 34%    | -1%    | Russell 3000  |
|                      | International Equity | 21%    | -1%    | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 25%    | -8%    | BC Universal  |
|                      | Covered Calls        | 5%     | +5%    | CBOE BXM  |
|                      | Real Estate          | 4%     | +2%    | NCREIF Lag  |
|                      | Private Equity       | 4%     | +2%    | Russell 3000 + 3% Lag   |
|                      | Real Return          | 6%     | +1%    | T-Bill + 3% Lag   |
|                      | Cash                 | 1%     | -      | T-Bill  |
| 10/1/2011-3/31/2012  | Domestic Equity      | 35%    | +1%    | Russell 3000  |
|                      | International Equity | 22%    | +2%    | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 33%    | -      | BC Universal  |
|                      | Real Estate          | 2%     | -2%    | NCREIF Lag  |
|                      | Private Equity       | 2%     | -1%    | Russell 3000 + 3% Lag   |
|                      | Real Return          | 5%     | -      | T-Bill + 3% Lag   |
|                      | Cash                 | 1%     | -      | T-Bill  |
| 10/1/2010-9/30/2011  | Domestic Equity      | 34%    | +1%    | Russell 3000  |
|                      | International Equity | 20%    | +3%    | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 33%    | -7%    | BC Universal  |
|                      | Real Estate          | 4%     | +1%    | NCREIF Lag  |
|                      | Private Equity       | 3%     | +1%    | 85% Cambridge U.S. Private Equity Lag / 15%<br>Cambridge U.S. Venture Capital Lag |
|                      | Real Return          | 5%     | +2%    | T-Bill + 3% Lag   |
|                      | Cash                 | 1%     | -1%    | T-Bill  |
| 7/1/2009-9/30/2010   | Domestic Equity      | 33%    | -7%    | Russell 3000  |
|                      | International Equity | 17%    | -7%    | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 40%    | +10%   | BC Universal  |
|                      | Real Estate          | 3%     | +1%    | NCREIF Lag  |
|                      | Private Equity       | 2%     | +1%    | 85% Cambridge U.S. Private Equity Lag / 15%<br>Cambridge U.S. Venture Capital Lag |
|                      | Real Return          | 3%     | +1%    | T-Bill + 3% Lag   |
|                      | Cash                 | 2%     | +1%    | T-Bill  |
| 1/1/2009-6/30/2009   | Domestic Equity      | 40%    | -      | Russell 3000  |
|                      | International Equity | 24%    | -      | MSCI ACWI ex U.S. IMI   |
|                      | Fixed Income         | 30%    | -      | BC Universal  |
|                      | Real Estate          | 2%     | -      | NCREIF Lag  |
|                      | Private Equity       | 1%     | -      | 85% Cambridge U.S. Private Equity Lag / 15%<br>Cambridge U.S. Venture Capital Lag |
|                      | Real Return          | 2%     | -      | T-Bill + 3% Lag   |
|                      | Cash                 | 1%     | -      | T-Bill  |

|                     |                      |     |      |   |
|---------------------|----------------------|-----|------|---|
| 7/1/2008-12/31/2008 | Domestic Equity      | 40% | -    | Russell 3000  |
|                     | International Equity | 24% | +9%  | MSCI ACWI ex U.S.   |
|                     | Fixed Income         | 30% | -5%  | BC Universal  |
|                     | Real Estate          | 2%  | -2%  | NCREIF Lag  |
|                     | Private Equity       | 1%  | -3%  | 85% Cambridge U.S. Private Equity Lag / 15% Cambridge U.S. Venture Capital Lag  |
|                     | Real Return          | 2%  | +1%  | T-Bill + 3% Lag   |
|                     | Cash                 | 1%  | -    | T-Bill  |
| 3/1/2007-6/30/2008  | Domestic Equity      | 40% | -    | Russell 3000  |
|                     | International Equity | 15% | -    | MSCI ACWI ex U.S.   |
|                     | Fixed Income         | 35% | -    | BC Universal  |
|                     | Real Estate          | 4%  | -    | NCREIF Lag  |
|                     | Private Equity       | 4%  | -1%  | 85% Cambridge U.S. Private Equity Lag / 15% Cambridge U.S. Venture Capital Lag  |
|                     | Real Return          | 1%  | +1%  | T-Bill + 3% Lag   |
|                     | Cash                 | 1%  | -    | T-Bill  |
| 1/1/2007-2/28/2007  | Domestic Equity      | 40% | -    | Russell 3000  |
|                     | International Equity | 15% | -    | MSCI ACWI ex U.S.   |
|                     | Fixed Income         | 35% | -    | BC Universal  |
|                     | Real Estate          | 4%  | -    | NCREIF Lag  |
|                     | Private Equity       | 5%  | -    | 85% Cambridge U.S. Private Equity Lag / 15% Cambridge U.S. Venture Capital Lag  |
|                     | Cash                 | 1%  | -    | T-Bill  |
|                     |                      |     |      |   |
| 4/1/2003-12/31/2006 | Domestic Equity      | 40% | -20% | Russell 3000  |
|                     | International Equity | 15% | +15% | MSCI ACWI ex U.S.   |
|                     | Fixed Income         | 35% | +5%  | BC Universal  |
|                     | Cash                 | 1%  | -9%  | T-Bill  |
|                     | Real Estate          | 4%  | +4%  | The Plan had allocated 5% to Alternatives and 4% to Real Estate asset classes. Since both of these asset classes were not funded until 1Q 2007, the policy benchmark was calculated on a pro-weighted basis (on total of 91%) during this period. |
|                     | Alternatives         | 5%  | +5%  |   |
|                     |                      |     |      |   |
| Thru 3/31/2003      | Domestic Equity      | 60% | -    | S&P 500   |
|                     | Fixed Income         | 30% | -    | Citigroup BIG   |
|                     | Cash                 | 10% | -    | Citigroup T-Bill  |

| Time Period          | Asset Class          | Target | Change | Policy Benchmarks  |
|----------------------|----------------------|--------|--------|--|
| 10/1/2014 - Present  | Domestic Equity      | 33%    | -      | Russell 3000   |
|                      | International Equity | 21%    | -      | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 24%    | -      | BC Universal   |
|                      | Covered Calls        | 5%     | -      | CBOE BXM   |
|                      | Real Estate          | 5%     | -      | NCREIF Lag   |
|                      | Private Equity       | 5%     | -      | Russell 3000 + 3% Lag  |
|                      | Real Return          | 6%     | -      | CPI + 3%   |
|                      | Cash                 | 1%     | -      | T-Bill   |
| 7/1/2013 - 9/30/2014 | Domestic Equity      | 33%    | -2%    | Russell 3000   |
|                      | International Equity | 21%    | -      | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 24%    | -2%    | BC Universal   |
|                      | Covered Calls        | 5%     | -      | CBOE BXM   |
|                      | Real Estate          | 5%     | +2%    | NCREIF Lag   |
|                      | Private Equity       | 5%     | +2%    | Russell 3000 + 3% Lag  |
|                      | Real Return          | 6%     | -      | CPI + 3% Lag   |
|                      | Cash                 | 1%     | -      | T-Bill   |
| 4/1/2012-6/30/2013   | Domestic Equity      | 35%    | -1%    | Russell 3000   |
|                      | International Equity | 21%    | +1%    | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 26%    | -10%   | BC Universal   |
|                      | Covered Calls        | 5%     | +5%    | CBOE BXM   |
|                      | Real Estate          | 3%     | +2%    | NCREIF Lag   |
|                      | Private Equity       | 3%     | +2%    | Russell 3000 + 3% Lag  |
|                      | Real Return          | 6%     | +1%    | T-Bill + 3% Lag  |
|                      | Cash                 | 1%     | -      | T-Bill   |
| 10/1/2011-3/31/2012  | Domestic Equity      | 36%    | +2%    | Russell 3000   |
|                      | International Equity | 20%    | +2%    | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 36%    | -6%    | BC Universal   |
|                      | Real Estate          | 1%     | +1%    | NCREIF Lag   |
|                      | Private Equity       | 1%     | -      | Russell 3000 + 3% Lag  |
|                      | Real Return          | 5%     | +2%    | T-Bill + 3% Lag  |
|                      | Cash                 | 1%     | -1%    | T-Bill   |
| 7/1/2010-9/30/2011   | Domestic Equity      | 34%    | -3%    | Russell 3000   |
|                      | International Equity | 18%    | +3%    | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 42%    | -3%    | BC Universal   |
|                      | Private Equity       | 1%     | -      | 85% Cambridge U.S. Private Equity Lag / 15% Cambridge U.S. Venture Capital Lag |
|                      | Real Return          | 3%     | +3%    | T-Bill + 3% Lag  |
|                      | Cash                 | 2%     | -      | T-Bill   |
| 10/1/09-6/30/10      | Domestic Equity      | 37%    | -23%   | Russell 3000   |
|                      | International Equity | 15%    | +15%   | MSCI ACWI ex U.S. IMI  |
|                      | Fixed Income         | 45%    | +5%    | BC Universal   |
|                      | Private Equity       | 1%     | +1%    | 85% Cambridge U.S. Private Equity Lag / 15% Cambridge U.S. Venture Capital Lag |
|                      | Cash                 | 2%     | +2%    | T-Bill   |
| Thru 9/30/2009       | Domestic Equity      | 60%    | -      | Russell 3000   |
|                      | Fixed Income         | 40%    | -      | BC Universal   |

| Manager                   | Mandate                 | Funded  | Terminated |
|---------------------------|-------------------------|---------|------------|
| 2014                      |                         |         |            |
| Hancock                   | Timber                  | 2Q 2014 |            |
| Vista Equity V            | Private Equity          | 2Q 2014 |            |
| CD&R IX                   | Private Equity          | 2Q 2014 |            |
| Landmark XV               | Private Equity          | 1Q 2014 |            |
| Apollo VIII               | Private Equity          | 1Q 2014 |            |
| Morgan Stanley            | Hedge Fund              | 1Q 2014 |            |
| Brep Europe IV            | Real Estate             | 1Q 2014 |            |
| 2013                      |                         |         |            |
| GAM                       | Hedge Fund              | 4Q 2013 |            |
| Silver Lake IV            | Private Equity          | 4Q 2013 |            |
| Heitman                   | Real Estate             | 4Q 2013 |            |
| Invesco Commodity         | Commodities             | 3Q 2013 |            |
| Mesa West Fund III        | Real Estate             | 3Q 2013 |            |
| Torchlight Debt Opp IV    | Real Estate             | 3Q 2013 |            |
| DFA                       | Real Estate             | 1Q 2013 |            |
| EnergyCap IX              | Private Equity          | 1Q 2013 |            |
| 2012                      |                         |         |            |
| Vontobel                  | Emerging Markets        | 4Q 2012 |            |
| AresCorp. Opp. IV         | Private Equity          | 4Q 2012 |            |
| Bristol Value II          | Real Estate             | 4Q 2012 |            |
| ARS VI                    | Real Estate             | 3Q 2012 |            |
| Blackstone                | Real Estate             | 3Q 2012 |            |
| PCCP                      | Real Estate             | 3Q 2012 |            |
| L.A. Capital              | Emerging Markets        | 3Q 2012 |            |
| MFS                       | Developed International | 3Q 2012 |            |
| BlackRock                 | Developed International | 3Q 2012 |            |
| Gateway (non-replication) | Covered Calls           | 2Q 2012 |            |
| Gateway (replication)     | Covered Calls           | 2Q 2012 |            |
| AG Core                   | Real Estate             | 1Q 2012 |            |
| 2011                      |                         |         |            |
| DRA                       | Real Estate             | 4Q 2011 |            |
| Vista Equity Partners IV  | Private Equity          | 4Q 2011 |            |
| Invesco                   | Real Estate             | 3Q 2011 |            |
| Lone Star VII             | Real Estate             | 2Q 2011 |            |
| Lone Star II              | Real Estate             | 2Q 2011 |            |
| Audax Mezz III            | Private Equity          | 1Q 2011 |            |
| EnergyCap VIII            | Private Equity          | 1Q 2011 |            |
| 2010                      |                         |         |            |
| WAMCO                     | GILS                    | 2Q 2010 |            |
| JP Morgan                 | Core Fixed Income       | 2Q 2010 |            |
| Frontier                  | Small Cap Growth        | 2Q 2010 |            |
| T. Rowe Price             | Large Cap Growth        | 2Q 2010 |            |
| Lexington VIII            | Private Equity          | 1Q 2010 |            |
| Mesa West                 | Real Estate             | 1Q 2010 |            |
| 2009                      |                         |         |            |
| Oaktree V                 | Private Equity          | 1Q 2009 |            |

| 2008                               |                   |         |         |
|------------------------------------|-------------------|---------|---------|
| Landmark XIV                       | Private Equity    | 3Q 2008 |         |
| CB Richard Ellis                   | Private Equity    | 2Q 2008 |         |
| Fisher Lynch                       | Real Estate       | 2Q 2008 |         |
| HRJ                                | Private Equity    | 1Q 2008 |         |
| 2007                               |                   |         |         |
| JPM Strategic                      | Real Estate       | 3Q 2007 |         |
| Prisa II                           | Real Estate       | 2Q 2007 |         |
| PAAMCO                             | Hedge Fund        | 1Q 2007 | 4Q 2010 |
| Aetos                              | Hedge Fund        | 1Q 2007 | 2Q 2013 |
| 2006                               |                   |         |         |
| Prisa                              | Real Estate       | 4Q 2006 |         |
| Landmark XIII                      | Private Equity    | 4Q 2006 |         |
| Paradigm                           | Small Cap Growth  | 3Q 2006 | 1Q 2010 |
| Northpointe                        | Small Cap Growth  | 3Q 2006 | 2Q 2009 |
| Lexington VI                       | Private Equity    | 3Q 2006 |         |
| 2005                               |                   |         |         |
| Boston Company                     | Large Cap Active  |         | 1Q 2005 |
| T. Rowe Price                      | Emerging Markets  | 1Q 2005 | 3Q 2011 |
| Boston Company                     | Emerging Markets  | 1Q 2005 | 4Q 2011 |
| Loomis Sayles                      | High Yield        | 1Q 2005 |         |
| Boston Company                     | International     | 1Q 2005 | 4Q 2011 |
| 2004                               |                   |         |         |
| Wells Capital                      | High Yield        | 4Q 2004 |         |
| Pyramis (formerly Fidelity)        | International     | 4Q 2004 |         |
| Earnest Partners                   | Small Cap Value   | 4Q 2004 |         |
| Bank of New York                   | Small Cap Growth  | 4Q 2004 | 1Q 2006 |
| Wells Capital                      | Core Fixed Income | 3Q 2004 |         |
| ING/Aeltus                         | Core Fixed Income | 3Q 2004 | 4Q 2009 |
| T. Rowe Price                      | Large Cap Value   | 3Q 2004 |         |
| Invesco                            | International     | 2Q 2004 | 4Q 2011 |
| MFS                                | Large Cap Value   | 1Q 2004 |         |
| Intech                             | Large Cap Growth  | 1Q 2004 | 3Q 2009 |
| Fred Alger                         | Large Cap Growth  | 1Q 2004 |         |
| 2003                               |                   |         |         |
| Northern Trust                     | Passive Core      | 3Q 2003 | 1Q 2005 |
| BlackRock (formerly Merrill Lynch) | Passive Core      | 3Q 2003 |         |

**Performance Related Comments**

- Performance shown is gross of fees with the exception of GAM Divergent (CF) and Morgan Stanley AIP (CF), which are shown net of fees.
- Performance and data are provided by Northern Trust.
- RVK began monitoring the assets of Water and Power Employees' Retirement Plan as of December 31, 2014.

**Custom Index Comments**

- The Retirement Policy Benchmark returns shown prior to December 31, 2014 were provided by Northern Trust. The passive index is calculated monthly and currently consists of 33% Russell 3000 (Blended) (R), 21% MSCI ACWI Ex US IMI (Blended), 24% Barclays US Universal Bond Index, 6% CPI + 3% (Blended), 5% NCREIF Property Index + 0.5% (Lagged-1 Qtr), 5% Russell 3000 + 3% (Blended), 5% CBOE S&P 500 BuyWrite Index, and 1% BofA Merrill Lynch 3 Mo US Treasury Bill Index.
- The Russell 3000 (Blended) (R) consists of the S&P 500 Index (Cap Wtd) through March 31, 2013 and the Russell 3000 Index thereafter.
- The MSCI ACWI Ex US IMI (Blended) consists of the MSCI ACW Ex US Index (USD) (Net) through December 31, 2008 and the MSCI ACW Ex US IMI (Net) thereafter.
- The International Developed Blend consists of the MSCI EAFE (Hedged) through December 31, 2008 and the MSCI World Ex US IMI Index (Net) thereafter.
- The CPI + 3% (Blended) consists of the BofA ML 3 Mo US T-Bill Index + 3% through June 30, 2013 and the CPI (Seasonally Adjusted) + 3% thereafter.
- The Russell 3000 + 3% (Blended) consists of 50% Cambridge US Private Equity Index (Lagged-1 Qtr) (Monthly) and 50% Cambridge US Venture Capital Index (Lagged-1Qtr) (Monthly) through September 30, 2011 and the Russell 3000 + 3% (Lagged-1 Qtr) thereafter.
- The Health Policy Benchmark returns shown prior to December 31, 2014 were provided by Northern Trust. The passive index is calculated monthly and currently consists of 33% Russell 3000 (Blended) (H), 21% MSCI ACWI Ex US IMI, 24% Barclays US Universal Bond Index (Blended), 6% CPI + 3% (Blended), 5% NCREIF Property Index + 0.5% (Lagged-1 Qtr), 5% Russell 3000 + 3% (Blended), 5% CBOE S&P 500 BuyWrite Index, and 1% BofA Merrill Lynch 3 Mo US Treasury Bill Index.
- The Russell 3000 (Blended) (H) consists of the Russell 1000 Index through September 30, 2009, and the Russell 3000 Index thereafter.
- The Barclays US Universal (Blended) consists of the Barclays US Aggregate Bond Index through October 31, 2009 and the Barclays US Universal Bond Index thereafter.
- The Death Policy Benchmark is a passive index calculated monthly and currently consists of 96% Barclays US Aggregate Bond Index and 4% Citigroup 3 Mo Treasury Bill Index.
- The Disability Policy Benchmark is a passive index calculated monthly and currently consists of 95% Barclays US Aggregate Bond Index and 5% Citigroup 3 Mo Treasury Bill Index.



## Glossary

**Alpha** - A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market or a portfolio's non-systematic return.

**Alpha Ratio** - A measure of a portfolio's non-systematic return per unit of downside risk. It is measured by dividing the alpha of a portfolio by the downside risk. The non-systematic return is a measure of a portfolio's historical performance not explained by movements of the market.

**Average Quality** - Bond quality ratings are reported using the investment managers' and the index providers' preferred rating agency. **Average Quality for managers unable to provide this statistic has been estimated using a credit quality distribution provided by the manager.** There are two primary rating agencies in the US. *Moody's* assigns ratings on a system that employs up to four symbols (consisting of letters and numbers) such as, Aaa, Aa2, etc., with Aaa being the highest or safest rating. *Standard & Poor's (S&P)* employs a system that uses + and - along with letters such as AAA, AA+, etc. The two rating agencies' systems are summarized below:

| <u>S&amp;P</u>                                  | <u>Moody's</u> | <u>Explanation</u>           | <u>S&amp;P</u>                                       | <u>Moody's</u> | <u>Explanation</u>              |
|---|----------------|------------------------------|--|----------------|---------------------------------|
| <b>Higher Credit Quality – Investment Grade</b> |                |                              | <b>Lower Credit Quality – Below Investment Grade</b> |                |                                 |
| AAA   | Aaa            | Prime/Highest credit quality | BB+  | Ba1            | Speculative/Low credit quality  |
| AA+   | Aa1            | High credit quality          | BB   | Ba2            |                                 |
| AA  | Aa2            |                              | BB-  | Ba3            |                                 |
| AA-   | Aa3            |                              | B+   | B1             | Highly speculative              |
| A+  | A1             | Upper-medium credit quality  | B  | B2             |                                 |
| A   | A2             |                              | B-   | B3             |                                 |
| A-  | A3             |                              | CCC+   | Caa1           | Substantial credit/default risk |
| BBB+  | Baa1           | Lower-medium credit quality  | CCC  | Caa2           | Extremely speculative           |
| BBB   | Baa2           |                              | CCC-   | Caa3           |                                 |
| BBB-  | Baa3           |                              | CC   | Ca             | Vulnerable to default           |
|   |                |                              | C  | Ca             |                                 |
|   |                |                              | D  | C              | In default                      |

**Beta** - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.

**Buy and Hold Attribution** - At the beginning of the time period under analysis, the manager and benchmark portfolios are broken down into segments (i.e., styles, sectors, countries, and regions) based on the desired type of attribution. The formula assumes zero turn-over to the manager and benchmark portfolios throughout the period and calculates the segment returns ("buy and hold returns") to arrive at performance attribution. Due to portfolio turnover, buy and hold attribution may not accurately represent quarterly performance relative to the benchmark. Country, region, sector, and style allocations are as of the date one quarter prior to the reporting date, and the returns shown are for those segments throughout the quarter reported. Due to disclosure guidelines set by each investment manager, equity characteristics shown are as of the most recent date available. The following is the methodology for segment classification:

**Sector** - Attribution is calculated using the Global Industry Classification Standard (GICS) which is a detailed and comprehensive structure for sector and industry analysis. Stocks are classified by their primary sector, as defined by S&P Capital IQ data.

**Country/Region** - Attribution is calculated using the Morgan Stanley Capital International (MSCI) region standards. Stocks are classified by their domicile country/region, as defined by S&P Capital IQ data.

**Style** - Stocks are classified into the following style boxes: large/mid/small vs. growth/neutral/value. Stocks are classified along large/mid/small categories at the time of the Russell index rebalancing, using the index market cap boundaries as cutoff points. Stocks are classified along growth/neutral/value categories at the time of the Russell index rebalancing, using the price/book ratio as supplied by S&P Capital IQ. Stocks in the Russell 3000 Index portfolio are sorted by price/book ratio; names with the highest price/book ratio that make up 1/3 of the total market capitalization are assigned to the growth category, names that make up the subsequent 1/3 of the total market capitalization are assigned to the neutral category, while the balance of the names are assigned to the value category.

Portfolio Characteristics and Buy and Hold Attribution reports utilize product-specific data for all mutual funds and commingled funds.

### Capital Markets Review -

**Breakeven Inflation** - Measures the expected inflation rate at each stated maturity by taking the difference between the real yield of the inflation-linked maturity curve and the yield of the closest nominal Treasury maturity.

**Consumer Confidence** - Measures domestic consumer confidence as defined by the degree of optimism on the state of the economy that consumers express through saving and spending.

**Consumer Price Index (CPI)** - Measures the change in the price level of consumer goods and services.

**Option-Adjusted Spread** - Measures the flat spread of an index or bond to the Treasury yield curve after removing the effect of any embedded options.

**Purchasing Managers Index (PMI)** - Measures economic activity by surveying purchasing managers on a monthly basis as to whether business conditions have improved, worsened, or stayed the same.

**US Dollar Total Weighted Index** - Measures the value of the US Dollar relative to a basket of other world currencies. It is calculated as the weighted geometric mean of the dollar's value versus the EUR, GBP, CAD, SEK, CHF, and JPY.

**VIX** - Measures the implied volatility of S&P 500 Index options by looking at the market's expectation of the S&P 500 Index volatility over the next 30 day period. Commonly referred to as the "fear index" or the "fear gauge."



## Glossary

**Consistency** - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

**Convexity** - A measure of the shape of the curve that describes the relationship between bond prices and bond yields.

**Correlation** - A statistical measure of the relationship between asset class returns. A value of 1.00 is a perfect correlation; that is, the asset classes always move in the same direction. A value of -1.00 indicates a perfect negative correlation, in which the asset classes always move in opposite directions of each other. A value of 0 indicates there is no relationship between the direction of returns of the two asset classes. Correlation calculations only consider the direction of changes relative to two variables and not the magnitude of those changes.

**Coupon Rate** - The percentage rate of interest paid on a bond or fixed income security; it is typically paid twice per year.

**Current Yield** - The annual income of a security divided by the security's current price.

**Down Market Capture** - Down market by definition is negative benchmark return and down market capture represents the ratio in % terms of the average portfolios return over the benchmark during the down market period. The lower the value of the down market capture the better the product's performance.

**Downside Risk** - A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.

**Earnings Per Share** - It is backward looking, calculated using the one year current EPS divided by the one year EPS five years ago.

**Effective Duration** - The weighted average duration of all the bonds in a given portfolio, weighted by their dollar values.

**Excess Return vs. Market** - Average of the monthly arithmetic difference between the manager's return and the benchmark return over a specified time period, shown on an annualized basis.

**Excess Return vs. Risk Free** - Average of the monthly arithmetic difference between the manager's return and the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) over a specified time period, shown on an annualized basis.

**Excess Risk** - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

**Expense Ratios** - Morningstar is the source for mutual fund expense ratios.

**Gain/Loss** - The net increase or decrease in the market value of a portfolio excluding its Net Cash Flow for a given period.

**Indices** - All indices and related information are considered intellectual property and are licensed by each index provider. The indices may not be copied, used or distributed without the index provider's prior written approval. Index providers make no warranties and bear no liability with respect to the indices, any related data, their quality, accuracy, suitability and/or completeness.

**Information Ratio** - Measured by dividing the active rate of return by the tracking error. The higher the information ratio, the more value-added contribution by the manager.

**Liability Driven Investing (LDI)** - A method to optimally structure asset investments relative to liabilities. The change in liabilities is estimated by the Ryan Labs Generic PPA Index of appropriate duration for that Plan. This benchmark is based on generic data and is therefore an approximation. RVK is not an actuarial firm, and does not have actuarial expertise.

**Estimated Funded Status** - The estimated ratio of a Plan's assets relative to its future liabilities. This is calculated by dividing the Plan's asset market value by the estimated present value of its liabilities. The higher the estimated funded status, the better the Plan's ability to cover its projected benefit obligations. An estimated funded status of 100% indicates a Plan that is fully funded.

**Estimated PV of Liabilities** - An estimate of a Plan's future liabilities in present value terms. The beginning of the period liability is provided by the Plan's actuary. The period-end present value liability estimate provided in this report is derived by applying the estimated percentage change generated using the Ryan Labs Generic PPA Index with duration similar to that reported on the most recent actuarial valuation report.

**Duration of Liabilities** - The sensitivity of the value of a Plan's liabilities to changes in interest rates, as calculated by the Plan's actuary.

**Duration of Assets** - The dollar-weighted average duration of all the individual Plan assets.

**Estimated Plan Hedge Ratio** - The estimate of how well a Plan's investment portfolio is hedged against changes in interest rates - a primary driver of funded status movements. This is calculated by dividing the dollar-weighted values of both the Plan asset duration by the liability duration and multiplying by the estimated funded status. An estimated plan hedge ratio of zero indicates that the Plan's liabilities have not been hedged, whereas a value of one indicates fully hedged.

**Modified Duration** - The approximate percentage change in a bond's price for a 100 basis point change in yield.

**Net Cash Flow** - The sum, in dollars, of a portfolio's contributions and withdrawals. This includes all management fees and expenses only when performance shown is gross of fees.

## Glossary

### Peer Groups -

**Plan Sponsor Peer Groups** - RVK utilizes the Mellon Analytical Solutions Trust Universe along with the Investment Metrics Plan Sponsor Universe. The combined Mellon Analytical Solutions Trust Universe and Investment Metrics Plan Sponsor Universe is used for comparison of total fund composite results and utilizes actual client returns compiled from consultant and custodial data. The Plan Sponsor Peer Group database includes performance and other quantitative data for over 2,100 plans which include corporate, endowment, foundation, public, and Taft Hartley plans. Plan Sponsor Peer Groups are gross of fees.

**Institutional Peer Groups (Separate Account and Commingled Fund)** - RVK utilizes the Investment Metrics Separate Account and Commingled Fund Manager Peer Groups for peer comparison and rankings. The Separate Account and Commingled Fund Peer Group database includes performance and other quantitative data for over 1,000 investment management firms, 6,400 investment products, across 100 standard peer groups. Separate Account and Commingled Fund Peer Groups are gross of fees.

**Mutual Fund (MF) Peer Groups** - RVK utilizes the Lipper Mutual Fund Manager Peer Groups for peer comparison and rankings. The Lipper Manager Peer Group database includes performance and other quantitative data for over 700 investment management firms and 24,500 investment products, across more than 140 standard peer groups. Mutual Fund Peer Groups are net of fees.

**Percentile Rankings** - Percentile rank compares an individual fund's performance with those of other funds within a defined peer group of managers possessing a similar investment style. Percentile rank identifies the percentage of a fund's peer group that has a higher return (or other comparative measurement) than the fund being ranked. Conversely, 100 minus the individual fund's ranking will identify the percentage of funds within the peer group that have a lower return than the fund being ranked.

1 - Highest Statistical Value

100 - Lowest Statistical Value

*Example: American Funds AMCP;R-4 (RAFEX) is ranked in the 4<sup>th</sup> percentile within the IM US Equity Large-Cap Growth Funds (MF) Peer Group for the Sharpe Ratio. Within the IM US Equity Large-Cap Growth Funds peer group, 4% of the other funds performed better than American Funds AMCP;R-4 (RAFEX), while 96% of the funds performed worse.*

**Performance Methodology** - RVK endorses the Global Investment Performance Standards (GIPS) and calculates performance for investment managers and composites using different methodologies. Investment manager performance is calculated by revaluing the portfolio on the date of all large external cash flows while composite performance is calculated using the Modified Dietz calculation methodology. According to the CFA Institute, "Only investment management firms that actually manage assets can claim compliance with the Standards. Plan Sponsors and consultants cannot make a claim of compliance unless they actually manage assets for which they are making a claim of compliance. They can claim to endorse the Standards and/or require that their investment managers comply with the Standards."

**Investment Managers** - Performance is calculated for interim periods between all large external cash flows for a given month and geometrically linked to calculate period returns. An external cash flow is defined as cash, securities, or assets that enter or exit a portfolio. RVK defines a "large cash flow" as a net aggregate cash flow of  $\geq 10\%$  of the beginning-period portfolio market value or any cash flow that causes RVK calculated performance to deviate from manager/custodian reported performance in excess of 5 basis points for a given month.

**Composites** - The Modified Dietz methodology is utilized to calculate asset class, sub-asset class, and total fund composite performance. The Modified Dietz method calculates a time-weighted total rate of return that considers the timing of external cash flows; however, it does not utilize interim period performance to mitigate the impact of significant cash in- and outflows to the composite.

RVK calculates performance beginning with the first full month following inception. Since inception performance may vary from manager reported performance due to RVK using the first full month of returns as the inception date. Performance for both managers and composites is annualized for periods greater than one year.

**Portfolio Characteristics** - Due to disclosure guidelines set by each investment manager, portfolio characteristics shown are as of the most recent date available.

**Private Equity Quartile Ranks** - Private Equity quartile ranks are generated using vintage year peer group data provided by Thomson Reuters, and are based on each fund's annualized, since inception internal rate of return (IRR). Three Private Equity peer groups are available via Thomson Reuters: Buyout, Venture, and All Private Equity. Ranks are available quarterly, at a one-quarter lag.

**Return** - Compounded rate of return for the period.

**%Return** - The time-weighted rate of return of a portfolio for a given period.

**R-Squared** - The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

**Risk Free Benchmark** - BofA ML 3 Mo US T-Bill Index unless specified otherwise.

## Glossary

**RVK Liquidity Rating** - A qualitative method for determining the relative amount of liquidity in a portfolio. The characteristics considered when determining relative liquidity include trading volume, gates for redemption, leverage, nature of transactions, and pricing mechanisms. The RVK Liquidity Rating is calculated using beginning of month investment weights applied to each corresponding asset class liquidity rating.

| <u>Asset Class</u>                  | <u>RVK Liquidity Rating</u> | <u>Asset Class</u>                   | <u>RVK Liquidity Rating</u> |
|-------------------------------------|-----------------------------|--------------------------------------|-----------------------------|
| <u>Liquid Investments</u>           |                             | <u>Less Liquid Investments</u>       |                             |
| T-Bills and Treasuries              | 100                         | Fixed Income Plus Sector             | 50                          |
| Cash Equivalents                    | 98                          | Bank Loans                           | 50                          |
| TIPS                                | 95                          | Stable Value (Plan Sponsor Directed) | 50                          |
| US Large Cap Equity                 | 95                          | Absolute Return Strategies           | 35                          |
| Diversified Real Return             | 93                          | <u>Not Liquid Investments</u>        |                             |
| Stable Value (Participant Directed) | 91                          | Core Real Estate                     | 25                          |
| Non-US Large Cap Equity             | 90                          | Core Plus Real Estate                | 15                          |
| Global Tactical Asset Allocation    | 88                          | Plus Only Real Estate                | 5                           |
| US Small Cap Equity                 | 85                          | Private Equity Funds of Funds        | 5                           |
| REITS                               | 85                          |                                      |                             |
| Non-US Small Cap Equity             | 85                          |                                      |                             |
| Emerging Markets Equity             | 85                          |                                      |                             |
| Core Fixed Income                   | 85                          |                                      |                             |
| Core Plus Fixed Income              | 80                          |                                      |                             |

**Sharpe Ratio** - Represents the excess rate of return over the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise), divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

**Simple Alpha** - The difference between the manager's return and the benchmark's return.

**Spread Duration** - A measure of the price sensitivity of a bond to a 100 basis-point movement of the bond's spread relative to Treasuries.

**Standard Deviation** - A statistical measure of the range of a portfolio's performance. The variability of a return around its average return over a specified time period.

**Time Period Abbreviations** - **QTD** - Quarter-to-Date. **CYTD** - Calendar Year-to-Date. **FYTD** - Fiscal Year-to-Date. **YOY** - Year Over Year.

**Thematic Classification** - Represents dedicated manager allocations; as such, thematic allocations are approximations. RVK categorizes the following asset classes as Alpha, Capital Appreciation, Capital Preservation, and Inflation:

| <u>Alpha</u>               | <u>Capital Appreciation</u>  | <u>Capital Preservation</u>          | <u>Inflation</u> |
|----------------------------|------------------------------|--------------------------------------|------------------|
| Absolute Return Strategies | Public Equity                | Core Fixed Income                    | TIPS             |
| Currency Overlay           | Private Equity               | CMBS Fixed Income                    | Bank Loans       |
|                            | Preferred Securities         | Asset Backed Fixed Income            | Core Real Estate |
|                            | High Yield                   | Domestic Core Plus Fixed Income      | Real Return      |
|                            | Convertible Fixed Income     | Mortgage Backed Fixed Income         | Inflation Hedges |
|                            | TALF Funds                   | International Developed Fixed Income | REITS            |
|                            | Distressed Debt              | Cash Equivalents                     | Commodities      |
|                            | Emerging Market Fixed Income | Stable Value                         |                  |
|                            | Value Added Real Estate      |                                      |                  |
|                            | Opportunistic Real Estate    |                                      |                  |

**Total Fund Attribution** - A method for identifying the sources of a total fund's over- or underperformance relative to its benchmark. The calculation identifies the contributions of positive or negative total fund excess return caused by allocation differences relative to the total fund's custom benchmark, and performance differences of the investment managers relative to the benchmark components that represent them.

### **Total Fund Performance -**

**Total Fund** - The percentage return of the total fund for the specified time period.

**Total Fund Benchmark** - The percentage return of the total fund benchmark for the specified time period; calculated using the target asset allocation and the corresponding benchmark returns.

**Total Value Added** - The percentage of over- or underperformance of the total fund as compared to the total fund benchmark.

### **Total Value Added -**

**Asset Allocation** - Shows how the variance of the total fund's actual allocation from its target allocation added to or subtracted from fund performance.

**Manager Value Added** - The portion of the total value added attributable to the outperformance or underperformance of the fund's investment managers, relative to the individual benchmarks that represent them in the total fund benchmark.

**Market Timing/Other** - The contribution of other residual factors, including estimation error and transaction timing.

**Total Fund Beta** - Total Fund Beta is calculated using the S&P 500 as the benchmark. It represents a measure of the sensitivity of the total fund to movements in the S&P 500 and is a measure of the Total Fund's non-diversifiable or systematic risk.

**Tracking Error** - A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.



## Glossary

**Treynor Ratio** - Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Treynor ratio represents the excess rate of return over the risk-free rate (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better historical risk-adjusted performance.

**Unit Value** - The dollar value of a portfolio, assuming an initial nominal investment of \$100, growing at the compounded rate of %Return for a given period.

**Up Market Capture** - Up market by definition is positive benchmark return and up market capture represents the ratio in % terms of the average portfolios return over the benchmark during the up market period. The higher the value of the up market capture the better the product's performance.

**Yield to Maturity** - The rate of return achieved on a bond or other fixed income security assuming the security is bought and held to maturity and that the coupon interest paid over the life of the bond will be reinvested at the same rate of return.

**Yield to Worst** - The bond yield calculated by using the worst possible yield taking into consideration all call, put, and optional sink dates.



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