Callan

August 2013

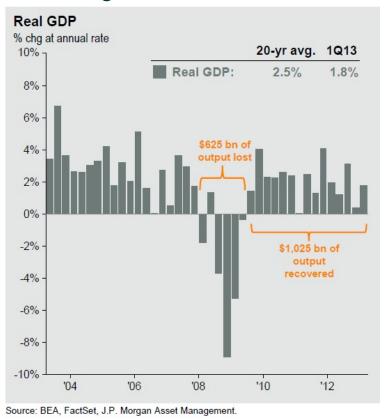
Idaho Endowment Fund Investment Board

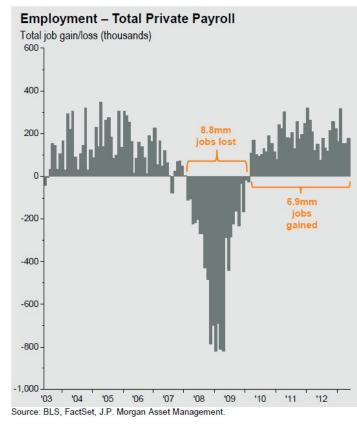
2nd Quarter 2013 Market Update

Janet Becker-Wold, CFA Senior Vice President

U.S. Economy

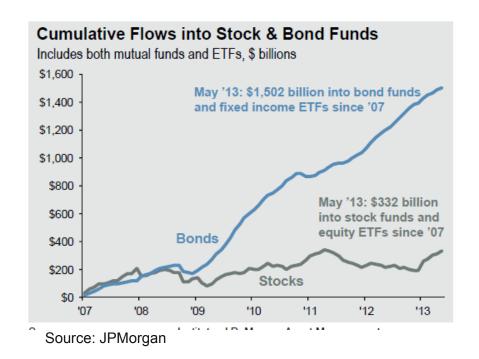
Periods Ending June 30, 2013

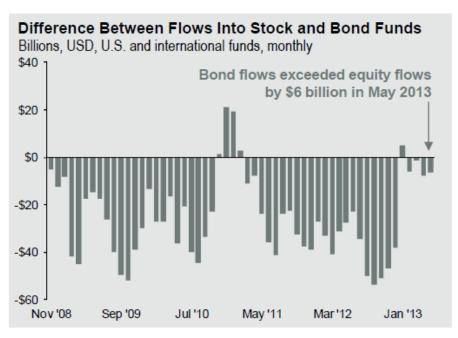




- The unemployment rate remained constant from last quarter at 7.6%.
- First quarter GDP was revised down from 1.8% to 1.1%; Initial estimates of second quarter GDP are indicating growth of 1.7%.
- Headline CPI increased 1.8% over the trailing twelve-months.
- Monetary Policy The Federal Reserve announced a "tapering" of the bond buyback program which sent equity markets tumbling from their all time highs and caused bond yields to rise to levels not seen in more than a year.

Asset Flows





- Post the 2008 Financial Crisis, flows into bond funds have far exceeded those to stock funds
- In June, as comments from the Fed on "tapering" hit the market, investors withdrew \$43.8 billion from taxable bond funds making June the worst month on record for bond outflows. (Source: Morningstar)

Asset Class Performance

Periods Ending June 30, 2013

For Quarter:

U.S. and international equities diverged

For Year:

- Very strong domestic equity returns
- Negative returns for bonds
- Last 3 years:
 - All asset classes positive
- Last 10 years:
 - Emerging Markets on top

July Update

_	S&P 500	5.1%
-	Russell 2000	7.0%
-	EAFE	5.3%
-	BC 1-3	0.2%
-	BC Agg	0.1%

Periodic Table of Investment Returns for Periods Ended June 30, 2013

Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
S&P:600 Small Cap	S&P:600 Small Cap	S&P:600 Small Cap	S&P:600 Small Cap	MSCI:Emer Markets
3.9%	25.2%	20.3%	9.9%	14.0%
S&P:500	S&P:500	S&P:500	S&P:500	S&P:600 Small Cap
2.9%	20.6%	18.5%	7.0%	10.8%
3 Month T-Bill	MSCI:EAFE US\$	MSCI:EAFE US\$	Barclays:Aggregate	MSCI:EAFE US\$
			Index	
0.0%	18.6%	10.0%	5.2%	7.7%
MSCI:EAFE US\$	MSCI:Emer Markets	MSCI:Emer Markets	3 Month T-Bill	S&P:500
(1.0%)	3.2%	3.7%	0.3%	7.3%
Barclays:Aggregate	3 Month T-Bill	Barclays:Aggregate	MSCI:Emer Markets	Barclays:Aggregate
Index		Index		Index
(2.3%)	0.1%	3.5%	(0.1%)	4.5%
MSCI:Emer Markets	Barclays:Aggregate	3 Month T-Bill	MSCI:EAFE US\$	3 Month T-Bill
	Index			
(8.0%)	(0.7%)	0.1%	(0.6%)	1.7%



U.S. Equity Returns

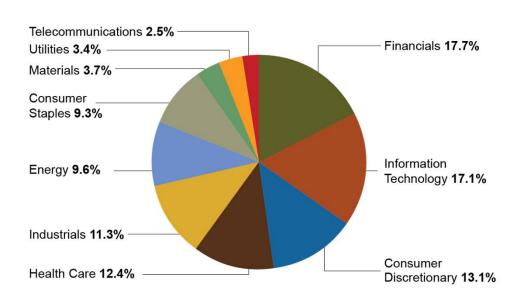
Periods Ending June 30, 2013

Economic Sector Exposure

(Russell 3000)

Economic Sector Quarterly Returns

(Russell 3000)



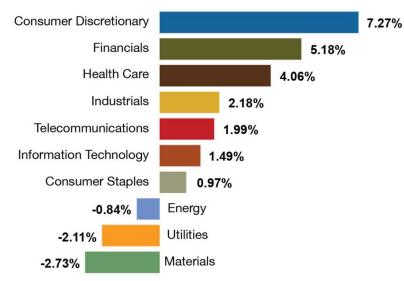
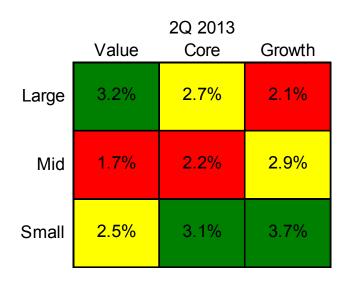
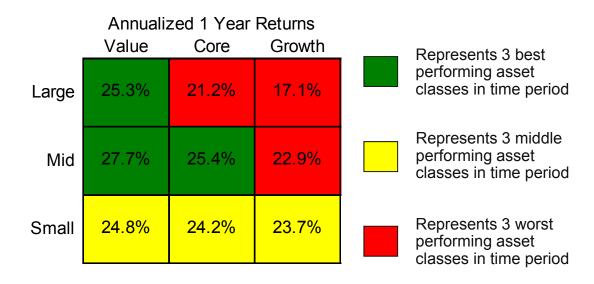


Chart may not sum to 100% due to rounding. Source: Russell Investment Group

U.S. Equity Style Returns

Periods Ending June 30, 2013





- Last Quarter: Value outperformed growth in large caps; small caps outperformed large and mid caps
- Last Year: Mid caps best, value led growth

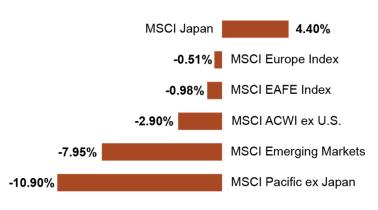
Large Cap Core is represented by the Russell Top 200 Index, Large Cap Value is represented by the Russell Top 200 Value Index and Large Cap Growth is represented by the Russell Mid Cap Index, Mid Cap Value is represented by the Russell Mid Cap Value is represented by the Russell Mid Cap Growth Index. Small Cap Core is represented by the Russell 2000 Index, Small Cap Value is represented by the Russell 2000 Value Index and Small Cap Growth is represented by the Russell 2000 Growth Index.

International Equity Returns

Periods Ending June 30, 2013

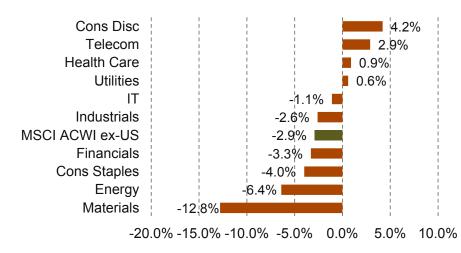
Regional Quarterly Performance

(U.S. Dollar)



Source: MSCI Inc.

ACWI ex-U.S. Sector Returns



Source: Barrow Hanley Benchmark Review 2Q13

Major Currencies' Cumulative Returns

(vs. U.S. Dollar)



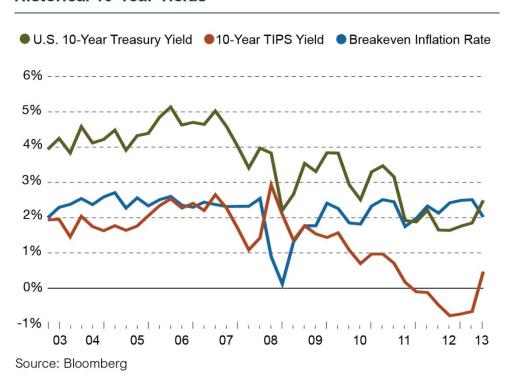
*euro returns from 1Q99 Source: MSCI Inc.

- Major non-U.S. equity indices posted negative returns in the quarter, with the exception of Japan.
- Japanese yen continued its decline from previous quarters
- Emerging markets continues to underperform – currency declines detracted

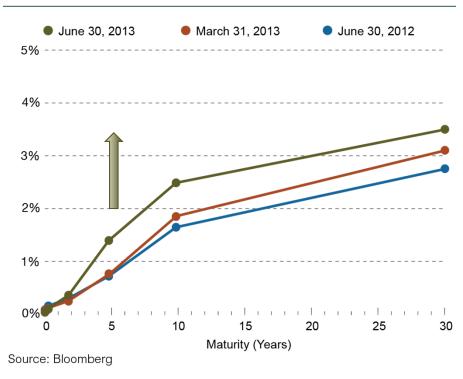
Yield Curve Changes

Periods Ending June 30, 2013

Historical 10-Year Yields



U.S. Treasury Yield Curves

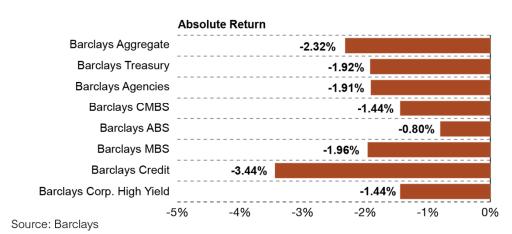


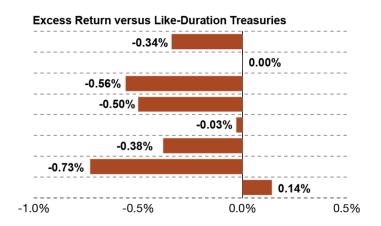
- The yield curve shifted up hurting Treasury returns.
- Ten-year Treasury yields increased from last quarter ending at 2.5%.
- The breakeven inflation rate was 2.0% as of 6/30/13
- BC TIPS Index fell 7.1% for the second quarter (worst performing segment of bond market)

Total Rates of Return by Bond Sector

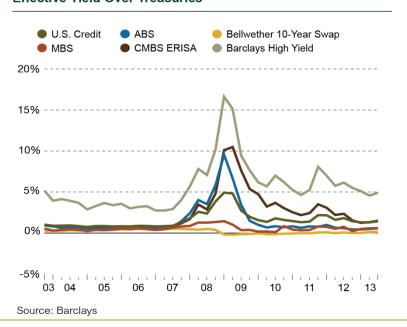
Periods Ending June 30, 2013

Fixed Income Index Quarterly Returns





Effective Yield Over Treasuries







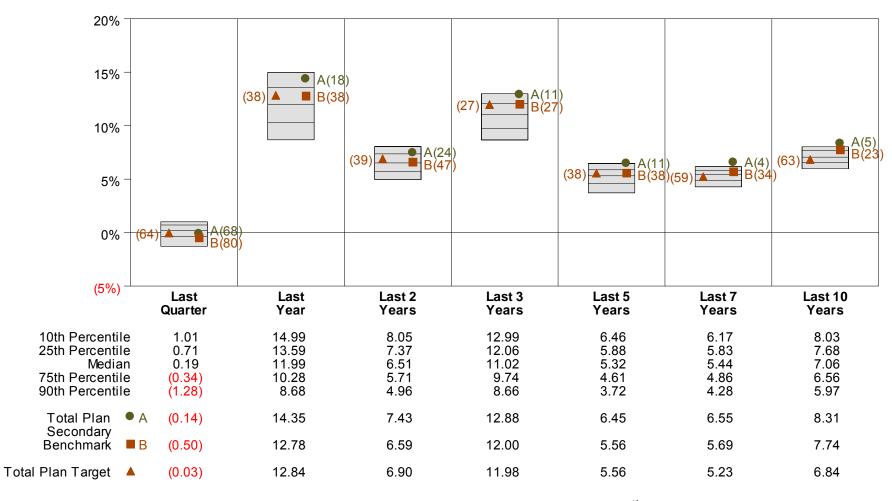
Endowments – Asset Allocation

**************************************	Percent 71.79% 48.57% 33.30% 10.88% 5.64% 5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67% 2.54%	Net New Inv. \$(36,999,963) \$(44,999,982) \$(38,999,982) (8,000,000) (8,000,000) (8,999,982) (6,000,000) \$0 0 \$(6,000,000) (6,000,000)	\$11,668,532 \$21,075,280 \$17,840,153 4,905,889 4,098,564 5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503 \$2,055,731	\$1,066,893,561 \$728,638,924 \$504,378,359 160,928,058 85,702,860 87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454 74,775,465	Percent 73.16% 49.97% 34.59% 11.04% 5.88% 6.01% 5.66% 6.00% 9.92% 4.79% 5.13%
\$704,714,222 \$483,218,530 157,833,947 81,801,424 83,898,407 78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	48.57% 33.30% 10.88% 5.64% 5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	\$(44,999,982) \$(38,999,982) (8,000,000) (8,000,000) (8,999,982) (6,000,000) \$0 0 \$(6,000,000)	\$21,075,280 \$17,840,153 4,905,889 4,098,564 5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	\$728,638,924 \$504,378,359 160,928,058 85,702,860 87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454	49.97% 34.59% 11.04% 5.88% 6.01% 5.66% 6.00% 9.92% 4.79%
\$483,218,530 157,833,947 81,801,424 83,898,407 78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	33.30% 10.88% 5.64% 5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	\$(38,999,982) (8,000,000) (8,000,000) (8,999,982) (6,000,000) (8,000,000) \$0 0	\$17,840,153 4,905,889 4,098,564 5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	\$504,378,359 160,928,058 85,702,860 87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454	34.59% 11.04% 5.88% 6.01% 5.66% 6.00% 9.92% 4.79%
157,833,947 81,801,424 83,898,407 78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	10.88% 5.64% 5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	(8,000,000) (8,000,000) (8,999,982) (6,000,000) (8,000,000) \$0 0	4,905,889 4,098,564 5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	160,928,058 85,702,860 87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454	11.04% 5.88% 6.01% 5.66% 6.00% 9.92% 4.79%
157,833,947 81,801,424 83,898,407 78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	5.64% 5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	(8,000,000) (8,999,982) (6,000,000) (8,000,000) \$0 0 0	4,098,564 5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	160,928,058 85,702,860 87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454	5.88% 6.01% 5.66% 6.00% 9.92% 4.79%
83,898,407 78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	5.78% 5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	(8,999,982) (6,000,000) (8,000,000) \$0 0 0 \$(6,000,000)	5,230,286 1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	87,668,102 82,562,844 87,516,495 \$144,622,920 69,847,454	6.01% 5.66% 6.00% 9.92% 4.79%
78,444,288 81,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	5.41% 5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	(6,000,000) (8,000,000) \$0 0 0 \$(6,000,000)	1,881,444 1,723,970 \$1,179,396 (23,107) 1,202,503	82,562,844 87,516,495 \$144,622,920 69,847,454	5.66% 6.00% 9.92% 4.79%
\$1,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	(8,000,000) \$0 0 0 \$(6,000,000)	1,723,970 \$1,179,396 (23,107) 1,202,503	87,516,495 \$144,622,920 69,847,454	6.00% 9.92% 4.79%
\$1,240,465 \$145,802,315 69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	5.60% 10.05% 4.81% 5.24% 5.22% 2.67%	\$0 0 0 \$(6,000,000)	\$1,179,396 (23,107) 1,202,503	87,516,495 \$144,622,920 69,847,454	6.00% 9.92% 4.79%
69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	4.81% 5.24% 5.22% 2.67%	0 0 \$(6,000,000)	(23,107) 1,202,503	69,847,454	4.79%
69,824,347 75,977,968 \$75,693,377 38,792,770 36,900,606	4.81% 5.24% 5.22% 2.67%	0 0 \$(6,000,000)	1,202,503	69,847,454	4.79%
\$75,693,377 38,792,770 36,900,606	5.24% 5.22% 2.67%	\$(6,000,000)		74,775,465	
38,792,770 36,900,606	2.67%		\$2 055 721		
38,792,770 36,900,606	2.67%		Ψ Ľ ,UJJ,/J	\$79,637,646	5.46%
36,900,606		10.000.0001	984,779	43,807,991	3.00%
	2.0170	0	1,070,952	35,829,654	2.46%
\$204,290,662	14.08%	\$8,000,019	\$(6,996,481)	\$203,287,124	13.94%
84,922,910	5.85%	8,000,000	(4,212,562)	81,135,472	5.56%
97,538,944	6.72%	0	(542,621)	98,081,565	6.73%
47,826	0.00%	19	138	47,669	0.00%
11,292,230	0.78%	0	(970,071)	12,262,301	0.84%
10,488,753	0.72%	0	(1,271,365)	11,760,118	0.81%
\$132,557,246	9.14%	\$0	\$(2,410,266)	\$134,967,512	9.26%
67,510,897	4.65%	0	(1,783,577)	69,294,474	4.75%
65,046,349	4.48%	0	(626,690)	65,673,038	4.50%
\$396,762,951	27.35%	\$37,000,000	\$(12,303,705)	\$372,066,656	25.51%
396,762,951	27.35%	37,000,000	(12,303,705)	372,066,656	25.51%
\$866,991	0.06%	\$(1,000,000)	\$(1,099,045)	\$2,966,035	0.20%
\$11,750,383	0.81%	\$(4,574,464)	\$4,537	\$16,320,309	1.12%
,450,075,464	99.94%	\$(4,574,427)	\$ (630,635)	\$1,455,280,526	99.80%
,450,942,455	100.0%	\$(5,574,427)	\$(1,729,680)	\$1,458,246,562	100.0%
	\$866,991	\$866,991 0.06% \$11,750,383 0.81% ,450,075,464 99.94%	396,762,951 27.35% 37,000,000 \$866,991 0.06% \$(1,000,000) \$11,750,383 0.81% \$(4,574,464) ,450,075,464 99.94% \$(4,574,427) ,450,942,455 100.0% \$(5,574,427)	396,762,951 27.35% 37,000,000 (12,303,705) \$866,991 0.06% \$(1,000,000) \$(1,099,045) \$11,750,383 0.81% \$(4,574,464) \$4,537 ,450,075,464 99.94% \$(4,574,427) \$(630,635) ,450,942,455 100.0% \$(5,574,427) \$(1,729,680)	396,762,951 27.35% 37,000,000 (12,303,705) 372,066,656 \$866,991 0.06% \$(1,000,000) \$(1,099,045) \$2,966,035 \$11,750,383 0.81% \$(4,574,464) \$4,537 \$16,320,309 ,450,075,464 99.94% \$(4,574,427) \$(630,635) \$1,455,280,526



Endowments – Total Fund Performance

Performance vs Public Fund Sponsor Database (Gross)

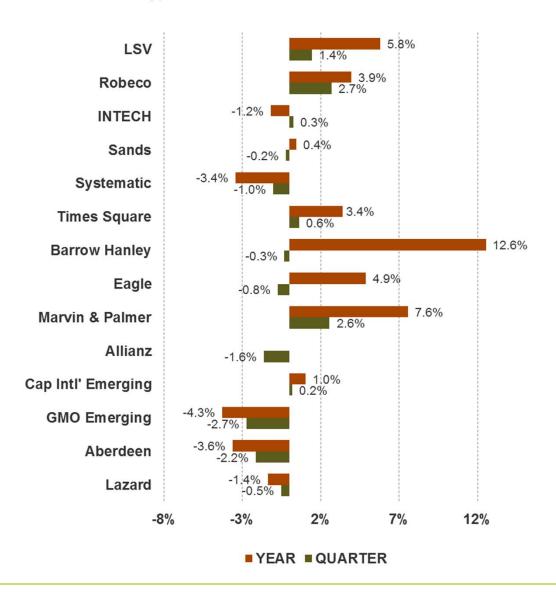


- For the quarter, underperformed the target by 11 bps, ranking 68th percentile
- For the last year, outperformed the target by 151 bps, 18th percentile
- Fund ranked 18th percentile against the Endowment/Foundation database for last year



Dashboard – All Managers

% Deviation from Benchmark



Quarter:

Below Benchmark:

- Sands
- Systematic
- Barrow Hanley
- Eagle
- Allianz
- GMO
- Aberdeen
- Lazard

Year:

Below Benchmark:

- INTECH
- Systematic
- GMO
- Aberdeen
- Lazard



^{*}Allianz NFJ was funded in the 3rd quarter 2012

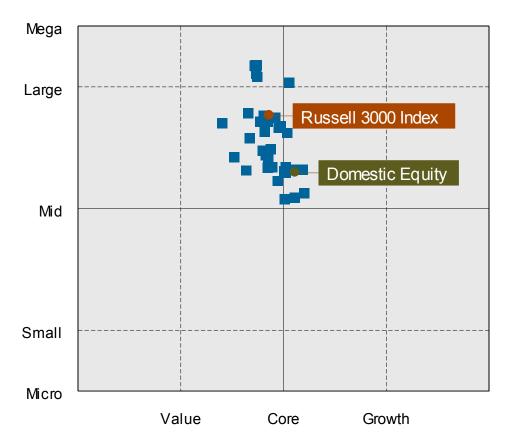
Endowments – U.S. Equity Manager Performance

			Last	Last	Last
	Last	Last	3	4	5
	Quarter	Year	Years	Years	Years
Total Equity	1.03%	20.94%	16.21%	16.71%	5.97%
Domestic Equity	2.83%	24.04%	19.95%	20.07%	8.79%
Russell 3000	2.69%	21.46%	18.63%	17.90%	7.25%
Large Cap	3.44%	22.37%	20.00%	19.30%	8.60%
Russell 1000	2.65%	21.24%	18.63%	17.77%	7.12%
Large Cap Core	2.95%	20.61%	18.47%	17.48%	7.18%
NTGI S&P 500 SMA	2.95%	20.61%	18.47%	17.48%	7.18%
S&P 500	2.91%	20.60%	18.45%	17.43%	7.01%
Large Cap Value	5.26%	30.16%	20.44%	19.68%	8.76%
LSV Asset Management	4.63%	31.12%	19.32%	18.76%	7.93%
Robeco Investment Mgmt	5.89%	29.25%	-	-	-
Russell 1000 Value	3.20%	25.32%	18.51%	18.11%	6.67%
Large Cap Growth	2.07%	16.70%	20.90%	20.59%	9.54%
INTECH	2.31%	15.87%	17.95%	16.63%	7.16%
Sands Capital	1.84%	17.50%	23.85%	24.55%	12.23%
Russell 1000 Growth	2.06%	17.07%	18.68%	17.39%	7.47%
Mid Cap	0.82%	25.25%	18.48%	19.54%	7.12%
Russell MidCap Index	2.21%	25.41%	19.53%	20.91%	8.28%
Systematic Financial	(0.03%)	23.59%	17.69%	19.41%	8.05%
S&P/Citi 400 Value Index	1.00%	27.03%	18.89%	20.52%	8.94%
Times Square	1.61%	26.82%	19.22%	19.61%	-
S&P/Citi 400 Growth Index	0.99%	23.42%	20.04%	21.10%	8.87%
Small Cap	2.59%	33.29%	21.93%	25.90%	13.47%
Russell 2000	3.08%	24.21%	18.67%	19.37%	8.77%
Barrow, Hanley	2.15%	37.32%	21.98%	27.68%	14.64%
Russell 2000 Value	2.47%	24.76%	17.33%	19.22%	8.59%
Eagle Asset Management	2.99%	28.55%	21.07%	23.07%	11.31%
Russell 2000 Growth	3.74%	23.67%	19.97%	19.46%	8.89%

- Domestic equity composite led the Russell 3000 by 0.14%
- Weak performance from Systematic hurt relative returns
- Best performance came from the large cap value managers

U.S. Equity Style Map

Style Map vs Pub Pln- Dom Equity Holdings as of June 30, 2013



- U.S. Equity composite exhibits a very slight growth and smaller capitalization bias
- For the quarter, this smaller cap bias was neutral as returns for all size segments were in a tight band

Endowments – Manager Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years	
International Equity	(3.30%)	14.96%	6.97%	7.91%	(1.21%)	
International Equity Target	(3.11%)	13.63%	7.99%	8.60%	(0.80%)	
MSCI ACWI x US (Net)	(3.11%)	13.63%	7.99%	8.60%	(0.80%)	Int'l equity mana
Marvin & Palmer	(0.55%)	21.19%	12.29%	11.83%	(2.59%)	
MSCI EAFE Growth	(0.99%)	19.05%	11.22%	10.65%	(0.02%)	struggled along v
Allianz	(4.75%)	-	-	-	-	benchmark over
MSCI EAFE Value	(0.45%)	19.21%	9.82%	8.27%	(0.33%)	
Capital International	(7.91%)	3.89%	0.34%	5.54%	-	quarter but have
Grantham May[////////////////////////////////////	ໃЖЖ ÇF€.81%) /ЖЖЖ	₩₩₩ ÇF.43%)	2.82%	7.25%	-	· .
MSCI Emergang Mkts (net)	(8.08%)	2.87%	3.38%	8.01%	(0.43%)	strong year
Global Equity	(1.79%)	14.03%	11.79%	-	_	Global equity cor
Aberdeen	(2.57%)	12.94%	13.47%	-	-	. ,
Lazard	(0.95%)	15.19%	10.15%	-	-	trails the benchn
MSCI ACWI - Net	(0.42%)	16.57%	12.36%	12.21%	2.30%	the quarter and t
Domestic Fixed Income	(3.14%)	(1.38%)	3.61%	5.02%	5.18%	TIPS were a dra
State Street Global Advisors	(3.14%)	(1.38%)	3.61%	-	-	in 5 were a dra
BC Aggregate	(2.32%)	(0.69%)	3.51%	4.97%	5.19%	income performa
85% Agg/ 15% TIPS	(3.03%)	(1.30%)	3.62%	5.06%	5.12%	•
						Total fund trailed
Cash	0.03%	0.17%	0.36%	0.61%	0.67%	
3-month Treasury Bill	0.02%	0.11%	0.11%	0.12%	0.29%	11 bps for quarte
Total Plan ex Equitization	(0.06%)	14.32%	12.60%	13.32%	6.32%	 by 151 bps for the
Total Plan	(0.14%)	14.35%	12.88%	13.61%	6.45%	
Total Plan Target	(0.03%)	12.84%	11.98%	12.33%	5.56%	
Secondary Benchmark	(0.50%)	12.78%	12.00%	12.55%	5.56%	
CPI All Urban Consumers	0.31%	1.75%	2.32%	2.00%	1.31%	

agers with their r the e had a

omposite mark for the year

- ag on fixed ance
- d target by er but led the year

Total Plan Target: 45.0% Russell 3000; 30.0% BC Aggregate; 16.0% MSCI ACWI ex-US (net); 9.0% MSCI All Count World (net)

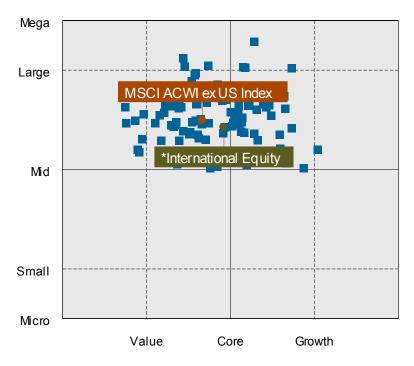
Secondary Benchmark: 30.8% Russell 1000; 25.5% BC Aggregate; 14.00% MSCI ACWI ex-US (net); 9.1% MSCI ACWI (net); 9.0% S&P Mid Cap 400, 5.0% Russell 2000; 4.5% BC US TIPS; 2.1% MSCI Emerging Markets (net)



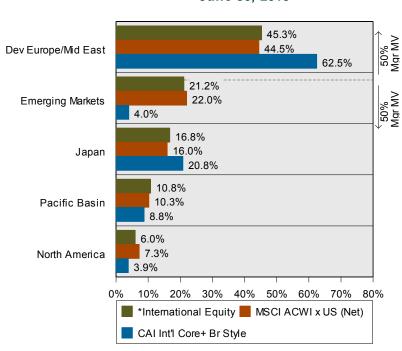
International Equity

(\$204 Million; 14.1% of the Portfolio)

Style Map vs CA Non-U.S. Equity Style Holdings as of June 30, 2013



Regional Allocation June 30, 2013

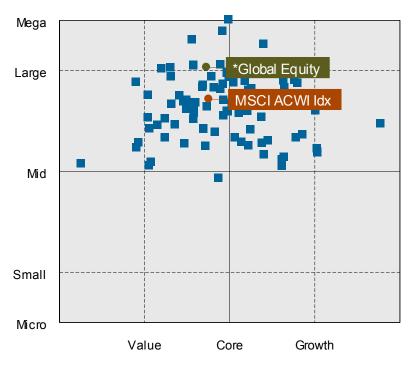


- International composite exhibits a slightly smaller capitalization than the index
- Portfolio's regional exposure is close to the benchmark

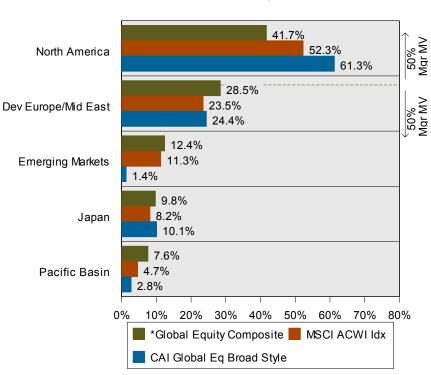
Global Equity

(\$133 Million; 9.1% of the Portfolio)

Style Map vs CAI Global Eq Broad Style Holdings as of June 30, 2013



Regional Allocation June 30, 2013



- Global composite exhibits a larger capitalization than the index
- Portfolio's regional exposure maintains a non-U.S. bias

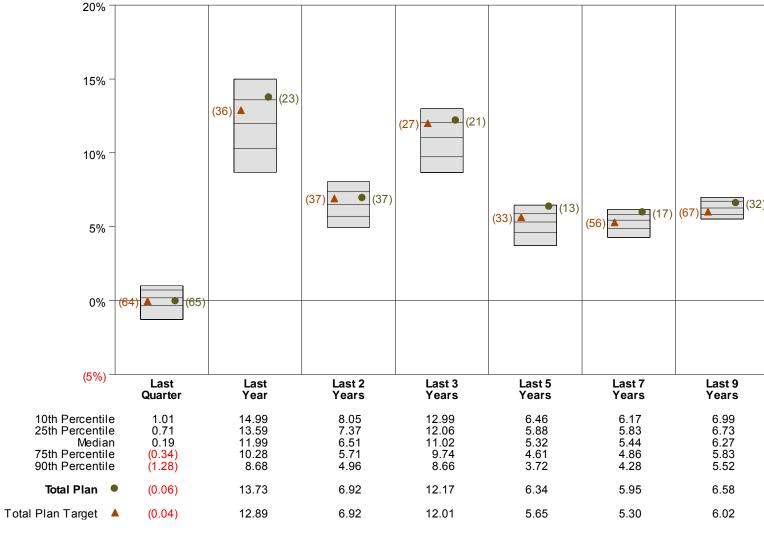
Judges – Asset Allocation

	June 30,	June 30, 2013			March 31,	2013
	Market Value	Percent	Net New Inv.	Inv. Return	Market Value	Percent
Total Equity	\$48,353,713	72.78%	\$(711,740)	\$410,992	\$48,654,461	72.55%
Domestic Equity	\$35,268,398	53.08%	\$(711,740)	\$859,089	\$35,121,049	52.37%
Large Cap	\$24,622,981	37.06%	\$(111,740)	\$694,588	\$24,040,133	35.85%
Vanguard S&P 500	24,622,981	37.06%	(111,740)	694,588	24,040,133	35.85%
Mid Cap	\$7,007,421	10.55%	\$(400,000)	\$68,773	\$7,338,647	10.94%
Systematic Financial	3,481,857	5.24%	(150,000)	3,364	3,628,493	5.41%
Times Square	3,525,564	5.31%	(250,000)	65,410	3,710,154	5.53%
Small Cap	\$3,637,997	5.48%	\$(200,000)	\$95,728	\$3,742,269	5.58%
Barrow, Hanley	1,812,508	2.73%	(100,000)	36,914	1,875,594	2.80%
Eagle Asset Management	1,825,489	2.75%	(100,000)	58,814	1,866,675	2.78%
International Equity	\$13,085,315	19.70%	\$0	\$(448,097)	\$13,533,411	20.18%
Vanguard FTSE ex-US	13,085,315	19.70%	0	(448,097)	13,533,411	20.18%
Domestic Fixed Income	\$17,778,809	26.76%	\$(109,453)	\$(440,856)	\$18,329,117	27.33%
Vanguard Total Bond Fund	17,778,809	26.76%	(109,453)	(440,856)	18,329,117	27.33%
Cash	\$306,401	0.46%	\$230,368	\$6	\$76,026	0.11%
Total Plan	\$66,438,922	100.0%	\$(590,825)	\$(29,857)	\$67,059,605	100.0%
			-\$0.6 mill	lion /		



Judges – Total Fund Performance

Performance vs Public Fund Sponsor Database (Gross)



- For the quarter, JRF finished behind the target by 2 bps, ranking 65th percentile
- For the year, JRF finished 84 bps ahead of the target, ranking 23rd percentile

Judges – Manager Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years		
Total Equity	0.80%	19.96%	15.77%	15.82%	5.37%	_	
Domestic Equity Russell 3000	2.41% 2.69%	22.70% 21.46%	18.80% 18.63%	18.66% 17.90%	7.62% 7.25%		
Large Cap Vanguard S&P 500 Russell 1000 S&P 500	2.90% 2.90% 2.65% 2.91%	20.55% - 21.24% 20.60%	18.40% - 18.63% 18.45%	17.34% - 17.77% 17.43%	6.84% - 7.12% 7.01%	•	All domestic equity managers except
Mid Cap Russell Mid Cap Systematic Financial S&P/Citi 400 Value	0.79% 2.21% (0.02%) 1.00%	25.33% 25.41% 23.53% 27.03%	18.50% 19.53% 17.73% 18.89%	19.58% 20.91% 19.42% 20.52%	6.97% 8.28% - 8.94%		Systematic rose during the quarter
Times Square S&P/Citi 400 Growth	1.59% 0.99%	27.15% 23.42%	19.23% 20.04%	19.70% 21.10%	8.87%	•	International returns were weak for the quarter
Small Cap Russell 2000 Barrow, Hanley Russell 2000 Value Eagle Asset Management Russell 2000 Growth	2.52% 3.08% 1.89% 2.47% 3.15% 3.74%	32.78% 24.21% 37.08% 24.76% 28.78% 23.67%	21.57% 18.67% 21.27% 17.33% 21.50% 19.97%	25.24% 19.37% 26.52% 19.22% 23.24% 19.46%	13.00% 8.77% 13.59% 8.59% - 8.89%	•	Bonds had a negative return for the quarter and the year
International Equity Vanguard FTSE ex-US MSCI ACWI x US (Net)	(3.31%) (3.31%) (3.11%)	13.07% 13.07% 13.63%	8.49% 8.50% 7.99%	8.59% 8.60% 8.60%	(0.54%) (0.01%) (0.80%)	•	Total fund exceeds target for all longer time periods
Domestic Fixed Income Vanguard Total Bond Market BC Aggregate	(2.42%) (2.42%) (2.32%)	(0.94%) - (0.69%)	3.19% - 3.51%	4.62% - 4.97%	4.94% - 5.19%		
Cash 3-month Treasury Bill	0.00% 0.02%	0.02% 0.11%	0.12% 0.11%	0.12% 0.12%	0.30% 0.29%	_	
Total Plan Total Plan Target CPI All Urban Consumers	(0.06%) (0.04%) 0.31%	13.73% 12.89% 1.75%	12.17% 12.01% 2.32%	12.74% 12.42% 2.00%	6.34% 5.65% 1.31%		



SIF - Asset Allocation

	June 30, 2013				March 31, 2013		
	Market Value	Percent	Net New Inv.	Inv. Return	Market Value	<u>Percent</u>	
Total Equity	\$86,544,815	14.56%	\$543	\$1,108,281	\$85,435,990	14.10%	
Domestic Equity	\$70,405,019	11.84%	\$543	\$1,617,069	\$68,787,406	11.35%	
Large Cap	\$49,820,236	8.38%	\$543	\$1,347,647	\$48,472,046	8.00%	
NTGI S&P 500	49,820,236	8.38%	543	1,347,647	48,472,046	8.00%	
Mid Cap	\$14,119,368	2.38%	\$0	\$113,155	\$14,006,212	2.31%	
Systematic Financial	6,768,507	1.14%	0	(2,587)	6,771,094	1.12%	
Times Square	7,350,861	1.24%	0	115,743	7,235,118	1.19%	
Small Cap	\$6,465,415	1.09%	\$0	\$156,267	\$6,309,148	1.04%	
Barrow, Hanley	3,274,255	0.55%	0	64,142	3,210,113	0.53%	
Eagle Asset Management	3,191,160	0.54%	0	92,125	3,099,035	0.51%	
International Equity	\$16,139,796	2.72%	\$0	\$(508,788)	\$16,648,584	2.75%	
Tradewinds	879	0.00%	0	0	879	0.00%	
Vanguard FTSE ex-US	16,138,917	2.71%	0	(508,788)	16,647,705	2.75%	
Domestic Fixed Income	\$507,892,673	85.44%	\$16,213	\$(12,618,143)	\$520,494,604	85.90%	
NTGI Blended Fixed Income	456,990,717	76.88%	16,213	(8,902,829)	465,877,333	76.89%	
NTGI TIPS	50,901,957	8.56%	0	(3,715,315)	54,617,271	9.01%	
Total Plan	\$594.437.488	100.0%	\$16.756	\$(11,509,862)	\$605.930.594	100.0%	
			CAA E:	llian			
			> \$11.5 mi	IIION			



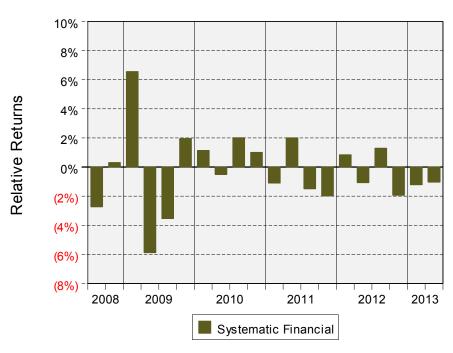
SIF – Manager Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years
Total Equity	1.30%	20.62%	16.55%	16.54%	6.02%
Domestic Equity	2.35%	22.38%	18.74%	18.63%	7.66%
Russell 3000	2.69%	21.46%	18.63%	17.90%	7.25%
Large Cap	2.78%	20.39%	18.32%	17.30%	6.96%
Russell 1000	2.65%	21.24%	18.63%	17.77%	7.12%
NTGI S&P 500	2.78%	20.39%	18.32%	17.30%	6.96%
S&P 500	2.91%	20.60%	18.45%	17.43%	7.01%
Mid Cap	0.81%	25.30%	18.47%	19.50%	7.05%
Russell Mid Cap	2.21%	25.41%	19.53%	20.91%	8.28%
Systematic Financial	(0.04%)	23.54%	17.67%	19.23%	-
S&P/Citi 400 Value	1.00%	27.03%	18.89%	20.52%	8.94%
Times Square	1.60%	26.97%	19.15%	19.67%	-
S&P/Citi 400 Growth	0.99%	23.42%	20.04%	21.10%	8.87%
Small Cap	2.48%	32.58%	21.56%	25.38%	13.35%
Russell 2000	3.08%	24.21%	18.67%	19.37%	8.77%
Barrow, Hanley	2.00%	37.11%	21.85%	27.12%	14.44%
Russell 2000 Value	2.47%	24.76%	17.33%	19.22%	8.59%
Eagle Asset Management	2.97%	28.23%	21.09%	22.87%	-
Russell 2000 Growth	3.74%	23.67%	19.97%	19.46%	8.89%
International Equity	(3.06%)	13.50%	8.45%	8.72%	(0.53%)
Vanguard FTSE ex-US	(3.06%)	13.50%	8.46%	8.72%	(0.03%)
MSCI ACWI x US (Net)	(3.11%)	13.63%	7.99%	8.60%	(0.80%)
Domestic Fixed Income	(2.42%)	(0.92%)	3.27%	4.30%	4.43%
Domestic Fixed Income Target**	(2.14%)	(0.55%)	2.97%	4.13%	4.26%
NTGI Blended Fixed Income	(1.91%)	(0.49%)	3.11%	4.11%	4.42%
Blended Benchmark	(1.60%)	(0.08%)	2.77%	3.94%	4.23%
NTGI TIPS	(6.80%)	(4.56%)	4.73%	5.93%	4.48%
BC US TIPS Index	(7.05%)	(4.78%)	4.63%	5.83%	4.41%
Total Plan	(1.90%)	1.71%	5.00%	5.81%	4.78%
Total Plan Target	(1.75%)	1.84%	4.64%	5.66%	4.59%
CPI All Urban Consumers	0.31%	1.75%	2.32%	2.00%	1.31%

- Fixed income and international equity struggled in the quarter
- Total Plan outpaced target over all time periods of 3 years or longer

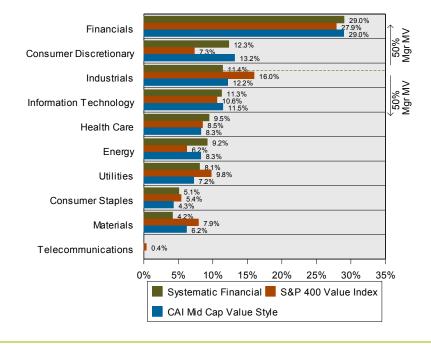
Systematic – Mid Cap Value

Relative Return vs S&P 400 Value Index



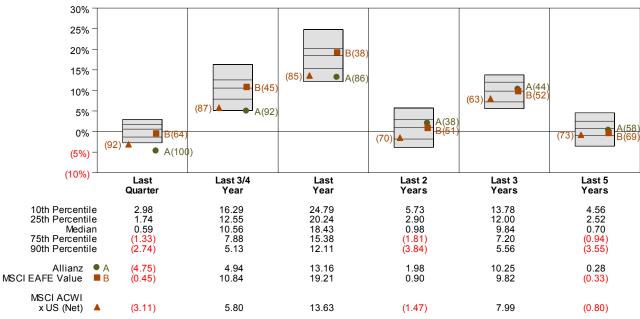
- A weak quarter, ranking in the 91st percentile versus peers; weak ranking over the last one- and two-year periods as well
- Security selection accounted for all of underperformance in the 2nd quarter
- Strong performance against peers over longer time periods (7 and 10 years)

Sector Allocation June 30, 2013



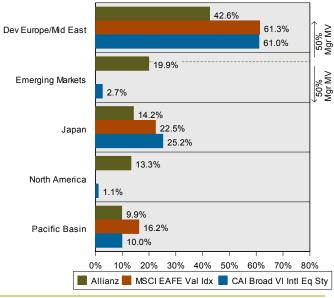
Allianz – International Value

Performance vs CAI Broad Value Intl Equity Style (Gross)



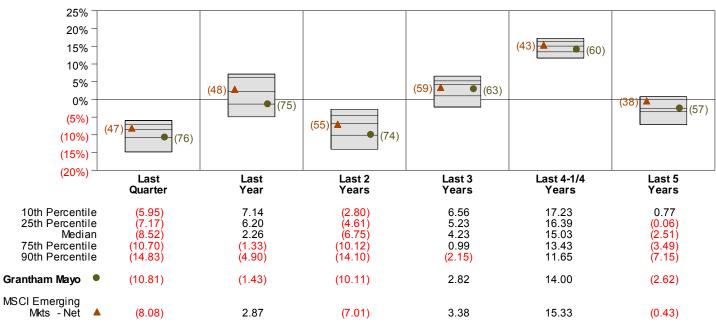
- A very poor quarter versus the MSCI EAFE
 Value index; weak performance since inception
- Emerging market exposure of 20% hurt returns.
- Longer time period performance is better than the index
- Allianz invests in dividend-paying stocks, these as a whole strongly underperformed the index

Regional Allocation June 30, 2013

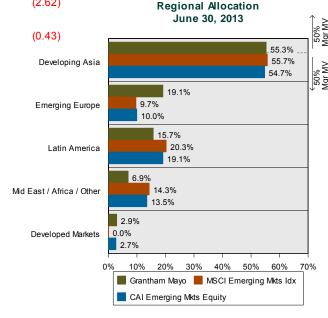


GMO – Emerging Markets

Performance vs CAI MF - Emerging Markets Style (Net)



- EFIB performance since 2Q 2009
- Portfolio has underperformed both benchmark and peers for last 3 years and since inception
- For the quarter underweighting Taiwan and overweighting Russia hurt relative returns

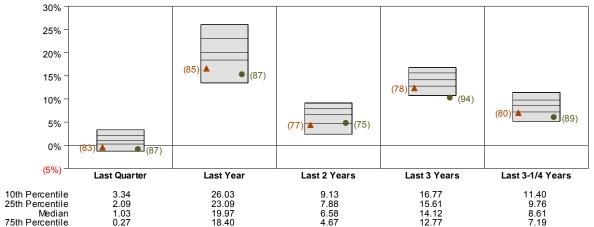


Lazard – Global Thematic Equity

Performance vs CAI Global Equity Broad Style (Gross)

(0.95)

(0.42)



2.39

4.68

4.41

10.73

10.15

12.36

 EFIB performance since 2Q 2010; underperformed both benchmark and peers since inception

No change in investment approach or philosophy

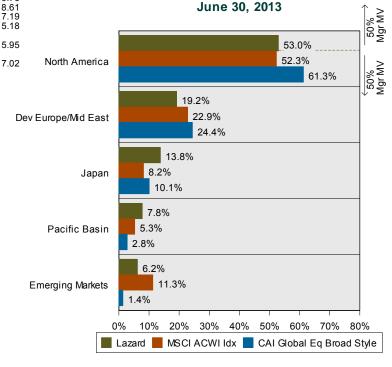
 portfolio is structured to be defensive; standard deviation since inception ranks 98th percentile

13.45

15.19

16.57

 Focuses on global economic "themes" and has long-term investment horizon with low turnover (annual turnover is typically 10%-30%)



Regional Allocation

90th Percentile

MSCI ACWI - Net

Lazard •



Endowments Compliance Report

Objectives – Three Years	Compliant?	Comments
Maintain purchasing power (3-year trailing)	Yes	

Asset Allocation			
Category	Range	Target	Actual
Equities	67%-73%	70.00%	71.8%
Domestic	40%-50%	45.00%	48.6%
Large cap	26.5%-36.5%	31.50%	33.3%
Mid cap	5%-13%	9.00%	10.1%
Small cap	2.0%-7%	4.50%	5.2%
International	12%-20%	16.00%	14.1%
Global	5-13%	9.00%	9.1%
Fixed Income	27%-33%	30.00%	27.4%
Cash and Equivalents	0%-5%	0.00%	0.8%

Rebalancing		
Applied when appropriate	Yes	

Performance		
Managers remain in specified style	Yes	
Active managers above median/indices for 3-years	No	See 1 below

Note 1: INTECH and TimesSquare are behind their index; Eagle and Aberdeen are behind their median; Systematic, Capital International, GMO and Lazard are behind their median and index.

JRS Compliance Report

Objectives – Three Years	Compliant?	Comments
Maintain purchasing power (3-year trailing)	Yes	
Obtain excess returns	Yes	
Achieve 7.9% annualized return (3-year trailing)	Yes	

Asset Allocation			
Category	Range	Target	Actual
Equities	60%-80%	70%	72.8%
Domestic	44%-54%	49%	53.1%
Large cap	29.3%-39.3%	34.30%	37.1%
Mid cap	5.8%-13.8%	9.80%	10.6%
Small cap	1.9%-7.9%	4.90%	5.5%
International	17%-25%	21%	19.7%
Fixed Income	25%-35%	30%	26.8%
Cash and Equivalents	0%-5%	0%	0.5%

Rebalancing		
Applied when appropriate	Yes	

Performance		
Managers remain in specified style	Yes	
Active managers above median/indices for 3-years	No	See 1 below

Note 1: Systematic is behind its median and index returns; Times Square is behind its index return; Eagle is behind its median return

SIF Compliance Report

Objectives – Three Years	Compliant?	Comments
Provide reserves for workers' compensation claims	Yes	\$594.4 million in assets

Asset Allocation			
Category	Range	Target	Actual
Equities	10-15%	13.0%	14.6%
Domestic		9.0%	11.8%
Large cap		6.3%	8.4%
Mid cap		1.8%	2.4%
Small cap		0.9%	1.1%
International		4.0%	2.7%
Fixed Income	70%-90%	87.0%	85.4%
Blended Fixed Income		78.4%	76.9%
TIPS		8.6%	8.6%
Cash and Equivalents	0%-15%	0.0%	0.0%

Rebalancing		
Applied when appropriate	Yes	

Performance		
Managers remain in specified style	Yes	
Active managers above median/indices for 3-years	No	See 1 below

Note 1: Systematic is behind its median and index returns; Times Square is behind its index return; Eagle is behind its median return

