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Vermont Pension Investment Committee

Third Quarter 2014

Investment Performance Analysis

Richard M. Charlton, Chairman and CEO
Christopher Levell, ASA, CFA, CAIA, Partner
Douglas Moseley, Partner
Benjamin Pittsley, Analyst

255 State Street, Boston, MA 02109 | TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

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Table of Contents

	<u>Tab</u>
NEPC Update	1
Market Review	2
State Teachers' Retirement System	3
State Employees' Retirement System	4
State Municipal Employees' Retirement System	5
City of Burlington	6
VPIC Allocation Comparison	7
Manager Characteristics	8
Appendix	9

NEPC Update



Highlights of Third Quarter Happenings at NEPC

NEPC Research Recent White Papers Posted

- *Demystifying Systematic Macro Hedge Fund Strategies (October 2014) - Alex N. Kamunya, CAIA, Senior Research Consultant, Hedge Funds*
- *Investing in a Low-Return World: Avoiding Portfolio Paralysis (September 2014) - Timothy McCusker, FSA, CFA, CAIA, Chief Investment Officer*
- *Private Equity Fundraising: Too Fast, Too Furious? (August 2014) - NEPC Private Equity Team*
- *Investment Outsourcing: Evolution of the Industry, Products and Solutions (August 2014) - Steven F. Charlton, CFA, Director of Consulting Services*



Professional Staff Updates

- David W. Moore, Partner, ARM, CEBS, and CPCU named head of Healthcare Consulting Practice
- Craig A. Svendsen, CFA, Partner named head of DB Corporate Consulting Practice

CIO Magazine's Influential Investment Consultants 2014 Awards

NEPC is excited to announce that two of its professionals appeared on CIO Magazine's (formerly aiCIO) annual list of the world's 25 most influential investment consultants in the institutional investment universe. **Chief Investment Officer, Tim McCusker**, was in the top ten, ranking sixth, and **KC Connors**, a fellow NEPC Partner and Head of our **Philanthropic Practice Team**, ranked eighteenth. The list, released earlier this month, is CIO's yearly ranking of the most influential institutional consultants who have made a positive impact working with their clients. Sourced from interviews with pension and non-profit CIOs, asset managers and former consultants, the list "represents our best approximation of the hierarchy of today's institutional consultant industry," said CIO. To learn more visit: http://www.aicio.com/2014_Knowledge_Brokers.aspx

NEPC's Video Series - "Five Questions With..."

We are excited to announce NEPC's Video Series—"Five Questions With..."—and we couldn't think of a better way to kick off this series of investment insights than an interview with our very own CIO, Tim McCusker! Tim discusses his thoughts on the market and investment opportunities, and provides a recap of his first 100 days as NEPC's CIO. The goal of our series is to provide the perspectives of industry leaders and experts, who will discuss the state of the market and opportunities. We hope you enjoy this inaugural video and please be on the lookout for additional interviews in the near future! To view the video please visit: http://www.nepc.com/clients/endowments_foundations

Market Review



Investment Market Update: As of September 30, 2014

Domestic Equity Benchmarks		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Large Core	S&P 500	1.1%	19.7%	23.0%	15.7%	8.1%
Small Core	Russell 2000	-7.4%	3.9%	21.3%	14.3%	8.2%
Small Growth	Russell 2000 Growth	-6.1%	3.8%	21.9%	15.5%	9.0%
Small Value	Russell 2000 Value	-8.6%	4.1%	20.6%	13.0%	7.3%
Large Core	Russell 1000	0.7%	19.0%	23.2%	15.9%	8.5%
Large Growth	Russell 1000 Growth	1.5%	19.2%	22.5%	16.5%	8.9%
Large Value	Russell 1000 Value	-0.2%	18.9%	23.9%	15.3%	7.8%
Mid Core	S&P Mid Cap 400	-4.0%	11.8%	22.4%	16.4%	10.3%
REIT	NAREIT Composite	-2.6%	13.2%	16.6%	15.6%	N/A
		9.1%	18.4%	17.8%	7.4%	0.0%
Int'l Equity Benchmarks		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
International Developed	MSCI EAFE	-5.9%	4.3%	13.7%	6.6%	6.3%
Emerging Equity	MSCI EM	-3.5%	4.3%	7.2%	4.4%	10.7%
Small Cap Int'l	S&P EPAC SmallCap	-7.2%	4.6%	15.3%	9.1%	8.8%
World ex-US	MSCI ACWI ex-US	-5.3%	4.8%	11.8%	6.0%	7.1%
Domestic FI Benchmarks		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Core Bonds	Barclays Aggregate	0.2%	4.0%	2.4%	4.1%	4.6%
Municipal Bond	Barclays Municipal	1.5%	7.9%	4.6%	4.7%	4.7%
High Yield	Barclays US High Yield	-1.9%	7.2%	11.1%	10.6%	8.3%
Intermediate Gov/Cred	Barclays Intern. Gov/Credit	-0.0%	2.2%	2.0%	3.4%	4.1%
Long Gov/Credit	Barclays Long Gov/Credit	1.0%	12.9%	4.8%	8.0%	7.0%
Long Credit	Barclays Long Credit	0.2%	13.6%	6.7%	8.7%	7.0%
Long Treasuries	Barclays US 20+ Yr Treas	3.0%	12.8%	1.9%	7.0%	7.0%
Cash	BofA ML US 3-Month T-Bill	0.0%	0.1%	0.1%	0.1%	1.6%
Inflation	Barclays US TIPS 1-10 Yr	-2.0%	0.6%	0.9%	3.4%	4.0%
Global Inflation	Barclays Global ILB	-2.8%	3.4%	3.7%	4.5%	5.1%
STRIPS	Barclays 20+ Yr STRIPS	5.1%	22.0%	2.1%	9.7%	N/A
Global FI Benchmarks		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Gov. Bonds	Citigroup WGBI	-3.8%	-0.1%	-0.5%	1.6%	4.1%
Em. Mkt. Bonds (Local)	JPM GBI-EM Glob. Div.	-5.7%	-1.5%	2.2%	4.4%	8.8%
Diversified Benchmark		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Diversified	Diversified*	-1.5%	10.0%	14.0%	10.3%	6.9%
Alternative Benchmarks		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Commodities	DJ UBS Commodity Index	-11.8%	-6.6%	-5.3%	-1.4%	-1.0%
Fund of Funds	HFRI Fund of Funds	0.3%	6.1%	5.2%	3.4%	3.4%
Hedge Fund	DJCS HF Composite	0.6%	7.7%	7.2%	6.4%	6.3%
Hedge Fund	DJCS Equity Market Neutral	-1.0%	3.5%	3.6%	2.1%	-0.9%
Hedge Fund	DJCS Event Driven	-1.8%	8.8%	10.1%	7.3%	7.5%
Hedge Fund	DJCS Long-Short	0.1%	9.7%	10.3%	6.4%	6.9%
Real Estate	NCREIF Property Index**	2.9%	11.2%	11.3%	9.7%	8.6%

* 35% LC, 10% SC, 12% Int'l, 3% Emerging, 25% FI, 5% HY, 5% Global FI, 5% REITS

**As of 6/30/2014

Investment Market Update: As of September 30, 2014

PERFORMANCE THROUGH 9/30/2014

Sector	Index	2008	2009	2010	2011	2012	2013	Q1	Q2	JUL	AUG	SEP	Q3	2014
Treasury STRIPS	Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	12.7%	7.8%	1.4%	7.1%	-3.2%	5.1%	27.7%
REITS	Wilshire US REIT	-39.2%	28.6%	28.6%	9.2%	17.6%	1.9%	10.1%	7.2%	0.1%	2.8%	-5.8%	-3.1%	14.5%
Long Govt/Credit	Barclays US Govt/Credit Long	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	6.6%	4.9%	0.3%	3.3%	-2.5%	1.0%	13.0%
Long Credit	Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	6.3%	5.0%	0.2%	2.9%	-2.9%	0.2%	11.9%
Large Cap	S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	1.8%	5.2%	-1.4%	4.0%	-1.4%	1.1%	8.3%
Large Cap Value	Russell 1000 Value	-36.8%	19.7%	15.5%	0.4%	17.5%	32.5%	3.0%	5.1%	-1.7%	3.7%	-2.1%	-0.2%	8.1%
Large Cap	Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	2.0%	5.1%	-1.6%	4.1%	-1.8%	0.7%	8.0%
Large Cap Growth	Russell 1000 Growth	-38.4%	37.2%	16.7%	2.6%	15.3%	33.5%	1.1%	5.1%	-1.5%	4.6%	-1.5%	1.5%	7.9%
Muni Bonds	Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	3.3%	2.6%	0.2%	1.2%	0.1%	1.5%	7.6%
EMD USD	Barclays EM USD Agg	-14.7%	34.2%	12.8%	7.0%	17.9%	-4.1%	2.8%	4.5%	-0.1%	0.8%	-1.5%	-0.8%	6.6%
Diversified	Diversified*	-24.5%	24.1%	13.5%	1.3%	12.7%	17.6%	2.1%	3.8%	-1.4%	2.5%	-2.4%	-1.4%	4.4%
Core Bonds	Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	1.8%	2.0%	-0.3%	1.1%	-0.7%	0.2%	4.1%
High Yield	Barclays US Corp HY	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	3.0%	2.4%	-1.3%	1.6%	-2.1%	-1.9%	3.5%
Interm Core Bonds	Barclays US Agg Interm	4.9%	6.5%	6.1%	6.0%	3.6%	-1.0%	1.2%	1.6%	-0.3%	0.8%	-0.4%	0.0%	2.9%
Emerging Equities	MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-0.4%	6.6%	1.9%	2.3%	-7.4%	-3.5%	2.4%
Interm Govt/Credit	Barclays US Govt/Credit Interm	5.1%	5.2%	5.9%	5.8%	3.9%	-0.9%	1.0%	1.2%	-0.2%	0.7%	-0.5%	-0.0%	2.2%
Global Bonds	Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.6%	-4.0%	2.7%	2.3%	-0.9%	0.5%	-3.3%	-3.8%	1.0%
Govt/Credit	Barclays Govt/Credit 1-5 Yr	5.1%	4.6%	4.1%	3.1%	2.2%	0.3%	0.4%	0.7%	-0.2%	0.4%	-0.2%	-0.0%	1.0%
Govt/Credit	Barclays US Govt/Credit 1-3 Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.2%	0.3%	-0.1%	0.2%	-0.1%	0.0%	0.6%
SMID Cap	Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	2.3%	3.6%	-4.9%	4.9%	-5.1%	-5.3%	0.3%
EMD Loc	JPM GBI EM Glob Div	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	1.9%	4.0%	-1.1%	0.5%	-5.1%	-5.7%	-0.0%
Int'l Developed	MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	0.7%	4.1%	-2.0%	-0.2%	-3.8%	-5.9%	-1.4%
Small Cap Growth	Russell 2000 Growth	-38.5%	34.5%	29.1%	-2.9%	14.6%	43.3%	0.5%	1.7%	-6.1%	5.6%	-5.4%	-6.1%	-4.0%
Small Cap	Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.3%	38.8%	1.1%	2.0%	-6.1%	5.0%	-6.0%	-7.4%	-4.4%
Small Cap Value	Russell 2000 Value	-28.9%	20.6%	24.5%	-5.5%	18.1%	34.5%	1.8%	2.4%	-6.0%	4.3%	-6.7%	-8.6%	-4.7%
Commodities	Bloomberg Commodity	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	7.0%	0.1%	-5.0%	-1.0%	-6.2%	-11.8%	-5.6%

* 35% LC, 10% SC, 12% Intl Equity, 3% Emerging Equity, 25% Core Bonds, 5% HY, 5% Global Bonds, 5% REITS

Source: Morningstar Direct

Investment Market Update: As of October 31, 2014

PERFORMANCE THROUGH 10/31/2014

Sector	Index	2008	2009	2010	2011	2012	2013	Q1	Q2	Q3	OCT	2014
Treasury STRIPS	Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	-21.0%	12.7%	7.8%	5.1%	4.2%	33.1%
REITS	Wilshire US REIT	-39.2%	28.6%	28.6%	9.2%	17.6%	1.9%	10.1%	7.2%	-3.1%	10.7%	26.7%
Long Govt/Credit	Barclays US Govt/Credit Long	8.4%	1.9%	10.2%	22.5%	8.8%	-8.8%	6.6%	4.9%	1.0%	2.2%	15.5%
Long Credit	Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	-6.6%	6.3%	5.0%	0.2%	1.9%	14.0%
Large Cap	S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	1.8%	5.2%	1.1%	2.4%	11.0%
Large Cap Growth	Russell 1000 Growth	-38.4%	37.2%	16.7%	2.6%	15.3%	33.5%	1.1%	5.1%	1.5%	2.6%	10.7%
Large Cap	Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	33.1%	2.0%	5.1%	0.7%	2.4%	10.6%
Large Cap Value	Russell 1000 Value	-36.8%	19.7%	15.5%	0.4%	17.5%	32.5%	3.0%	5.1%	-0.2%	2.2%	10.5%
Muni Bonds	Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	-2.6%	3.3%	2.6%	1.5%	0.7%	8.3%
EMD USD	Barclays EM USD Agg	-14.7%	34.2%	12.8%	7.0%	17.9%	-4.1%	2.8%	4.5%	-0.8%	1.2%	7.9%
Diversified	Diversified*	-25.0%	24.8%	13.8%	1.4%	12.5%	18.1%	2.0%	3.8%	-1.4%	2.2%	6.7%
Core Bonds	Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	-2.0%	1.8%	2.0%	0.2%	1.0%	5.1%
SMID Cap	Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	36.8%	2.3%	3.6%	-5.3%	4.4%	4.7%
High Yield	Barclays US Corp HY	-26.2%	58.2%	15.1%	5.0%	15.8%	7.4%	3.0%	2.4%	-1.9%	1.2%	4.7%
Interm Core Bonds	Barclays US Agg Interm	4.9%	6.5%	6.1%	6.0%	3.6%	-1.0%	1.2%	1.6%	0.0%	0.8%	3.7%
Emerging Equities	MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	-2.6%	-0.4%	6.6%	-3.5%	1.2%	3.6%
Interm Govt/Credit	Barclays US Govt/Credit Interm	5.1%	5.2%	5.9%	5.8%	3.9%	-0.9%	1.0%	1.2%	-0.0%	0.7%	2.9%
Small Cap Value	Russell 2000 Value	-28.9%	20.6%	24.5%	-5.5%	18.1%	34.5%	1.8%	2.4%	-8.6%	7.0%	1.9%
Small Cap Growth	Russell 2000 Growth	-38.5%	34.5%	29.1%	-2.9%	14.6%	43.3%	0.5%	1.7%	-6.1%	6.2%	1.9%
Small Cap	Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.3%	38.8%	1.1%	2.0%	-7.4%	6.6%	1.9%
EMD Loc	JPM GBI EM Glob Div	-5.2%	22.0%	15.7%	-1.8%	16.8%	-9.0%	1.9%	4.0%	-5.7%	1.6%	1.6%
Govt/Credit	Barclays Govt/Credit 1-5 Yr	5.1%	4.6%	4.1%	3.1%	2.2%	0.3%	0.4%	0.7%	-0.0%	0.5%	1.5%
Govt/Credit	Barclays US Govt/Credit 1-3 Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.6%	0.2%	0.3%	0.0%	0.3%	0.9%
Global Bonds	Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.6%	-4.0%	2.7%	2.3%	-3.8%	-0.2%	0.8%
Int'l Developed	MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	0.7%	4.1%	-5.9%	-1.5%	-2.8%
Commodities	Bloomberg Commodity	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-9.5%	7.0%	0.1%	-11.8%	-0.8%	-6.3%

* 35% LC, 10% SC, 12% Intl Equity, 3% Emerging Equity, 25% Core Bonds, 5% HY, 5% Global Bonds, 5% REITS

Source: Morningstar Direct

- **Federal Reserve and European Central Bank well on their way to diverging paths**
 - Fed has (mostly) remained steadfast with tapering, though recent comments have weakened that position moderately
 - ECB has been forced into action and announced it will be embarking on an asset purchasing stimulus plan
- **Global currency volatility escalated as the US Dollar strengthened**
 - Deviation in UK/US and ECB/JoB central bank policy expectations directly impacted currency markets and reverberated to other asset classes
- **US growth rebounded while global markets wavered**
 - Despite strong GDP growth at 4.6% in the second quarter, both US and international equities were caught in a wave of elevated volatility and were relatively flat (in local terms)
 - Foreign currency depreciation led to losses for international equities
 - Broad fixed income indices were mixed as the Treasury curve flattened and credit spreads widened
- **Oil prices fell significantly**
 - US production boom as well as strong supply from the Middle East combined with concerns of reduced demand in Europe and emerging markets
- **Emerging markets experienced continued return dispersion**
 - Macroeconomic conditions and potential risks vary greatly by country

- **Global Equities**

- Equity markets somersaulted their way to modest gains in the U.S., but were flat or slightly negative in many other regions as economic data varied.
- Riskier small-cap equities significantly underperformed large-cap equities, with the S&P 500 gaining 1.1% and the Russell 2000 Index declining 7.4%.
- International equities fell 5.8% in the third quarter, according to the MSCI EAFE Index, underperforming domestic and emerging markets.
- In local currency terms, emerging markets were up 0.6%, but currency depreciation led to a loss of 3.5% in dollar terms, according to the MSCI Emerging Markets Index.

- **Global Fixed Income**

- Risk aversion permeated fixed income markets in the third quarter amid growing concerns around geopolitical events and global economic growth.
- Demand for long-dated US Treasuries increased, while the fear of interest rate hikes triggered a selloff in shorter-dated maturities. As a result, the yield on the 10-year Treasury dropped four basis points during the quarter, finishing at 2.5%.
- After a long stretch of credit spread narrowing, spreads on investment grade credit widened 12 basis points to 112 basis points during the quarter.
- The Barclays US Credit Index lost 0.03% and the Long Duration Credit Index gained 0.2% in the third quarter.
- Buffeted by outflows, the high yield market lost 1.9%, according to the Barclays High Yield Index.
- Emerging market debt also slowed in the third quarter following a strong first half of the year. Headwinds to the asset class included geopolitical risk, growth concerns, and the prospect of the Fed raising interest rates. Local currency debt (measured by JP Morgan GBI-EM GD Unhedged) fared worse than external currency debt (measured by JP Morgan EMBI+ Index), with the two indices losing 5.7% and 2.1%, respectively.

- **Commodity Markets**

- Commodities received a beating in the third quarter with the Bloomberg Commodity Index losing 11.8%. Corn and wheat prices suffered the most, returning -25.8% and 22.0%, respectively. These losses were fueled by decreased global demand and large increases in supply as growing conditions improved.
- The energy sector sold off by nearly 12% during the quarter due to a combination of a well-supplied physical market and weak demand for crude oil from OPEC.

- **Hedge Funds**

- Hedge Funds performed modestly in the third quarter, with Credit Suisse Hedge Fund Composite returning 0.6% compared to the 1.1% for the S&P 500 and 0.2% for the Barclays Aggregate Bond Index.
- Most hedge fund strategies were in the black, with the exception of short-biased equity and some relative value strategies, with the Credit Suisse Dedicated Short Biases Index finishing down -2.3% for the quarter. Credit Suisse Convertible Arbitrage and Equity Market Neutral posted losses of -0.1% and -0.3%, respectively.
- The Credit Suisse Global Macro Index rose 1.7% with certain managers benefitting from the stronger US dollar.
- Credit Suisse Managed Futures Index was up 5.7%, driven by gains of 5.0% in August largely due to falling yields on developed market sovereign bonds.
- The Credit Suisse Event Driven Index lost 1.8% as some special situation equity strategies were hurt in the market selloff in September.

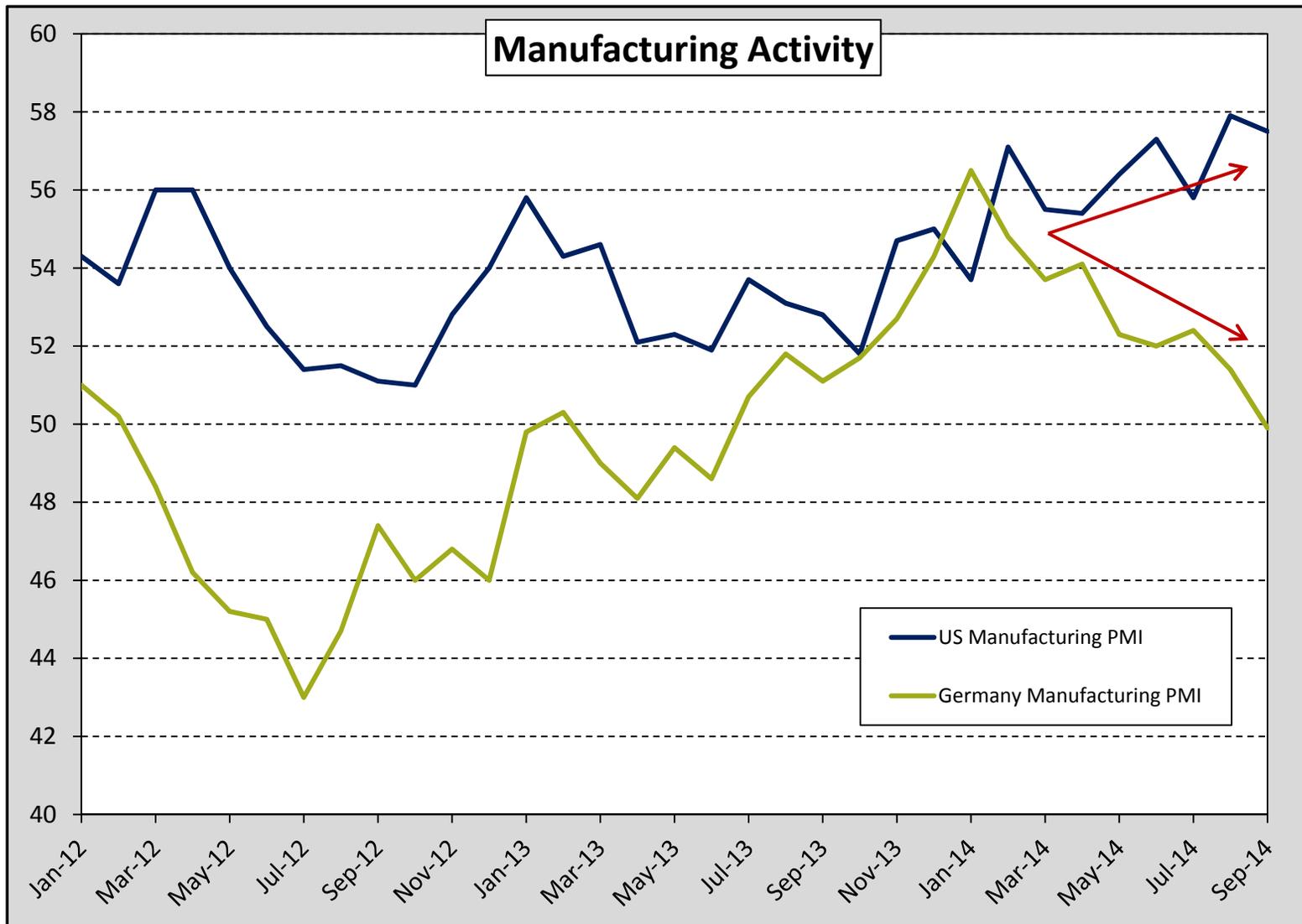
- **Private Markets**

- This year is on track to be the fifth consecutive year of increased commitments with the new private equity obligations totaling \$264.9 billion for the first nine months of 2014. New private equity funds raised \$85.6 billion during the third quarter.
- Buyout and growth equity funds raised \$88.5 billion in the first half of 2014, with mega buyout firms accounting for 41% of all buyout/growth funds.
- Venture Capital raised \$27.2 billion, with funds raised in the first half of 2014 nearly matching the 2013 total of \$27.7 billion of new VC funds.
- Mezzanine funds, facing competition from senior and unitranche lenders, raised \$12.9 billion.
- Secondary funds raised \$16.2 billion, eclipsing the 2013 funding total of \$13.2 billion, as a wave of large funds start to closings.

- **Real Estate**

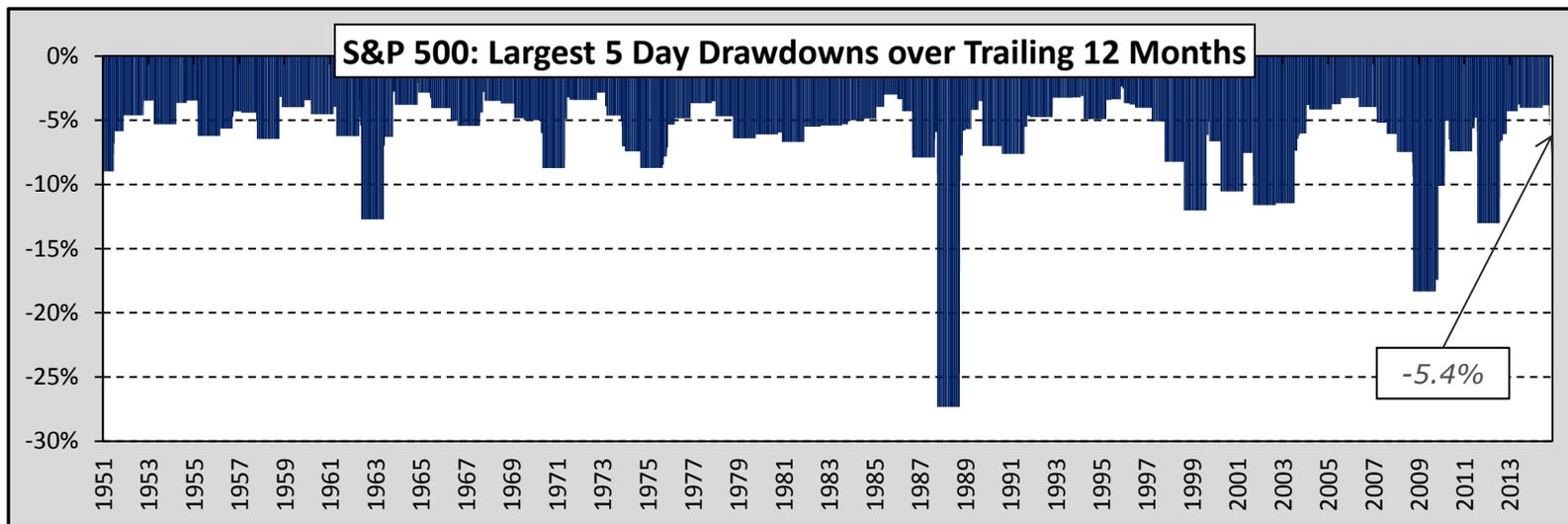
- NEPC remains neutral on core real estate in the US, positive on non-core real estate strategies such as value-add and opportunistic, and neutral on debt strategies (both in US and Europe).
- The main concerns for US core real estate (and US real estate, broadly) continue to be plentiful capital that is driving up pricing, and the market's expectation for higher future interest rates and their impact on capitalization rates and capital values.
- For non-core real estate – value add and opportunistic – we still view Europe as the best place for a marginal dollar of real estate investment; however, the opportunity, which is based in asset mispricing and not future expected growth, is limited.
- For debt strategies, yields have generally remained low and competition from more traditional lending sources (such as banks) has increased, putting pressure on private debt/mezzanine strategies.

Diverging Economic Conditions in the US and Europe

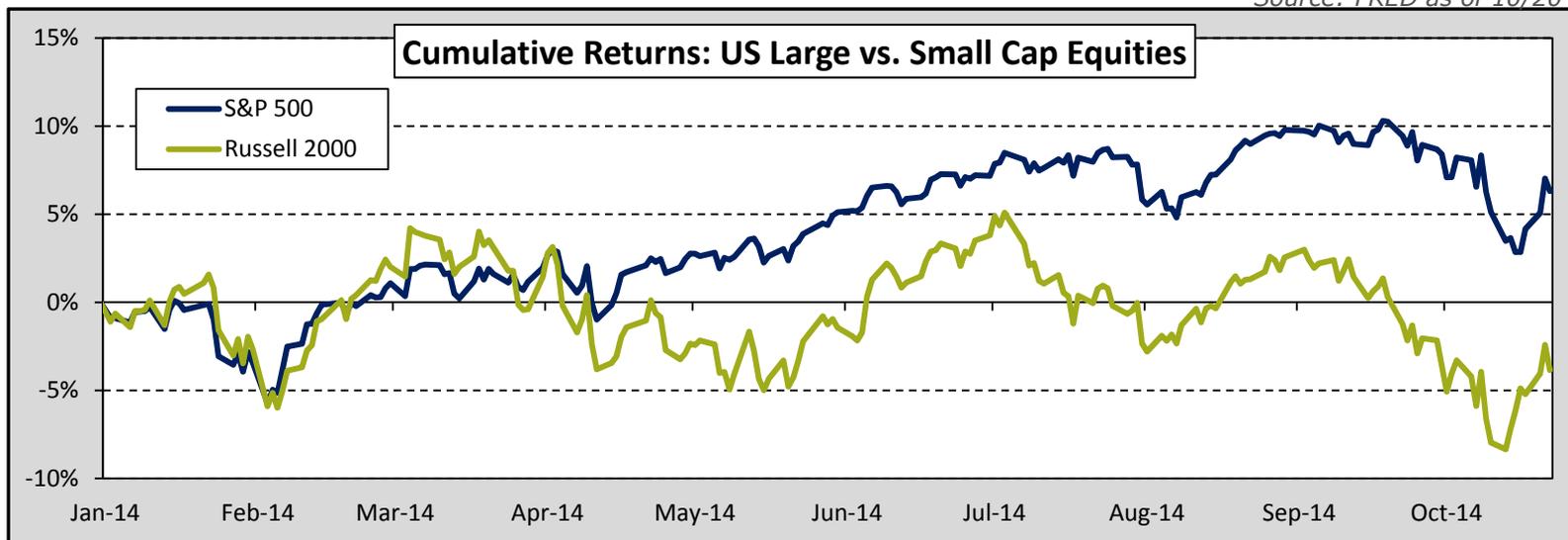


Source: Bloomberg as of 9/30

Recent Equity Pullback – Not Unusual, but Large vs. Small Divergence is Significant

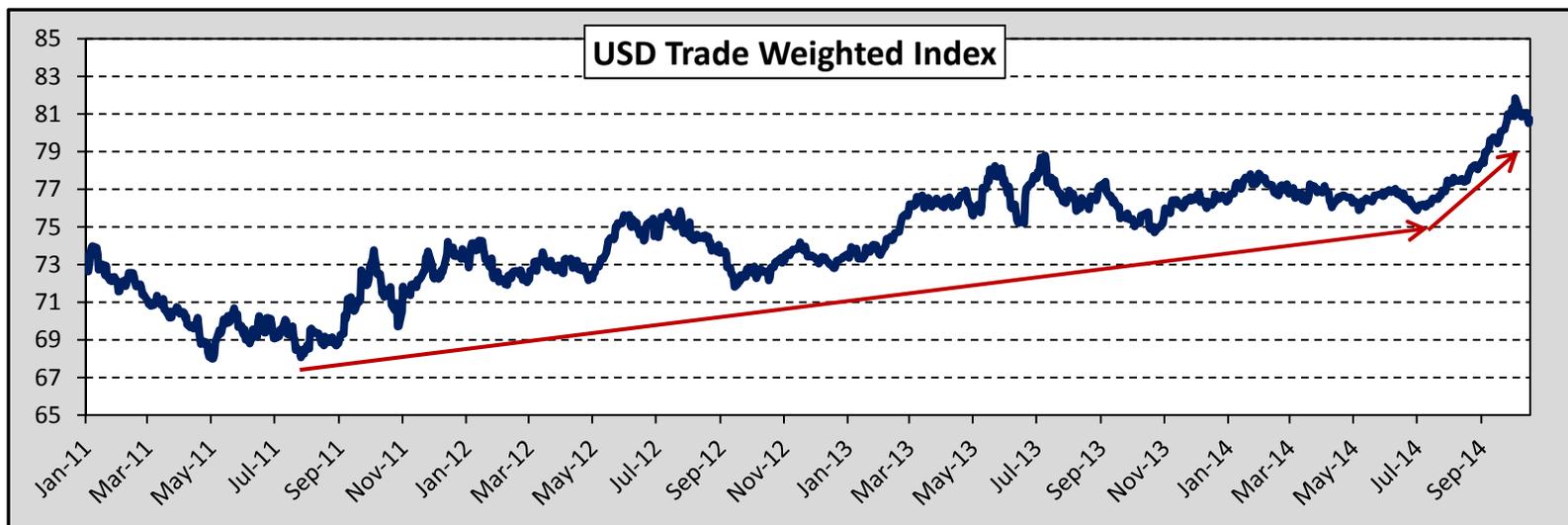


Source: FRED as of 10/20

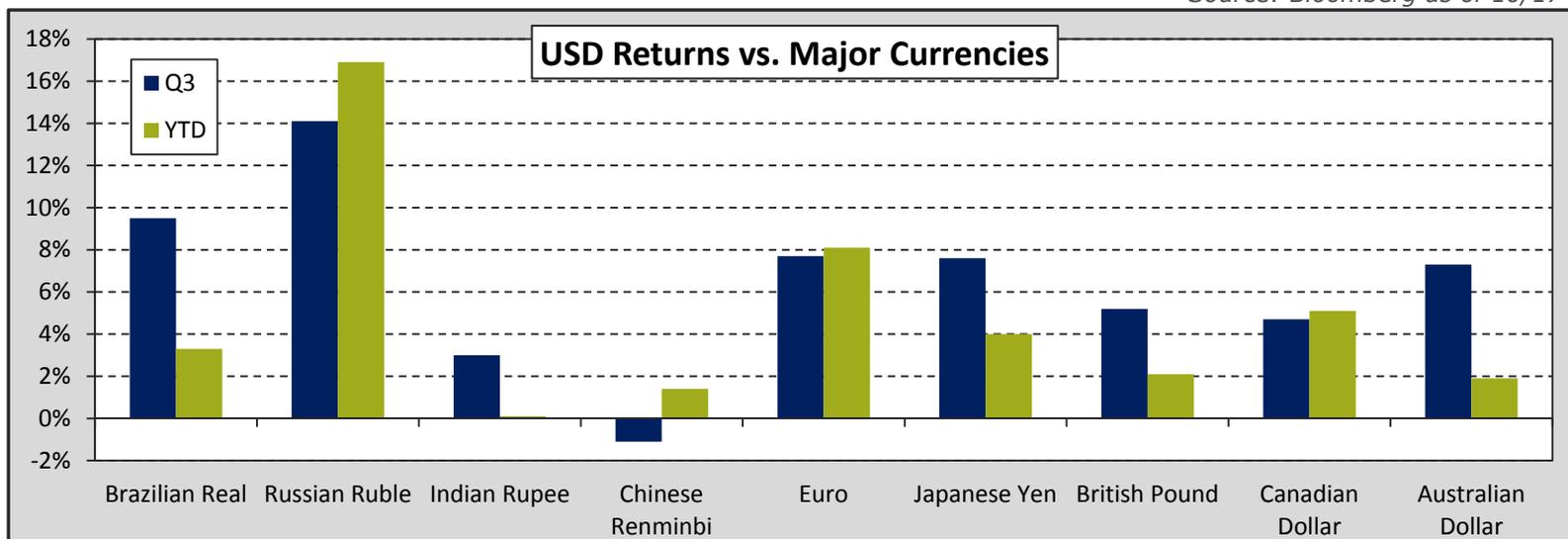


Source: Bloomberg as of 10/22

The US Dollar Strengthened Versus Most Major Currencies



Source: Bloomberg as of 10/17



Source: Bloomberg as of 9/30

State Employees' Retirement System

Vermont State Employees

Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank
Employees Composite	\$1,611,567,869	-2.1%	92	4.5%	24	7.8%	79	10.4%	84	9.2%	59
<i>Policy Index</i>		-2.0%	91	3.2%	81	6.6%	95	9.4%	95	7.6%	95
<i>Allocation Index</i>		-2.1%	92	3.0%	87	6.4%	96	9.3%	95	7.6%	95
<i>InvestorForce Public DB Gross Median</i>		-1.3%		3.9%		9.2%		12.3%		9.6%	

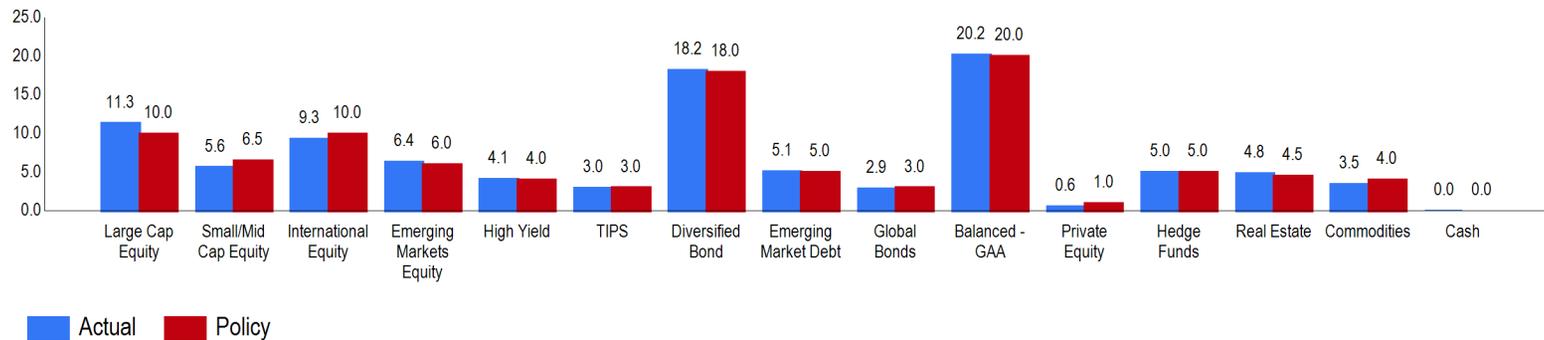
3 Years Ending September 30, 2014

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	10.42%	84	6.61%	46	1.57	91	2.82	66
Policy Index	9.35%	95	6.27%	30	1.48	97	2.50	93
Allocation Index	9.26%	95	6.34%	34	1.45	98	2.27	98

5 Years Ending September 30, 2014

	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Employees Composite	9.25%	59	7.71%	43	1.19	49	1.89	44
Policy Index	7.63%	95	7.40%	36	1.02	94	1.65	83
Allocation Index	7.62%	95	7.62%	40	0.99	95	1.57	91

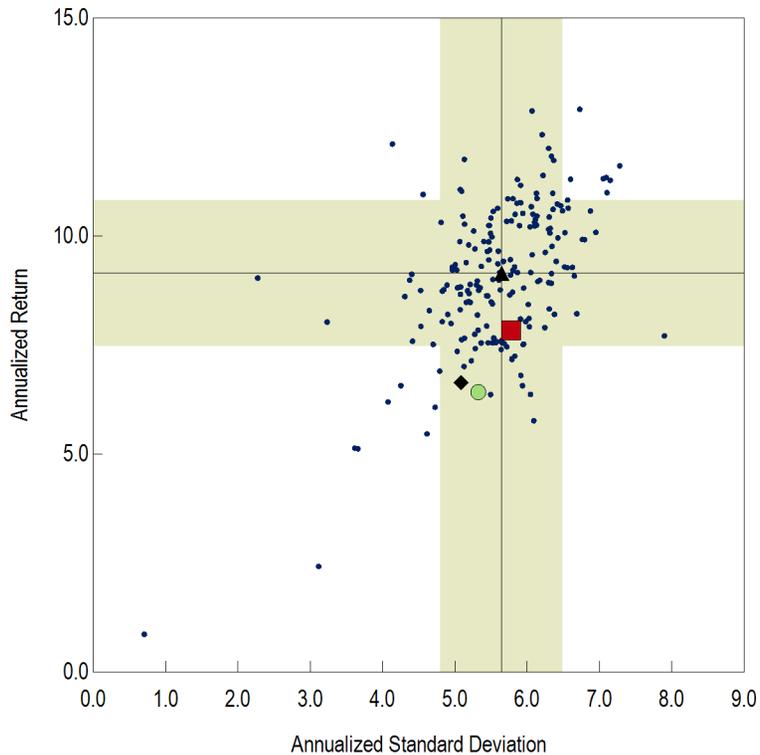
Actual vs Target Allocation (%)



Vermont State Employees

Total Fund Risk/Return

1 Year Ending September 30, 2014



- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

1 Year Ending September 30, 2014

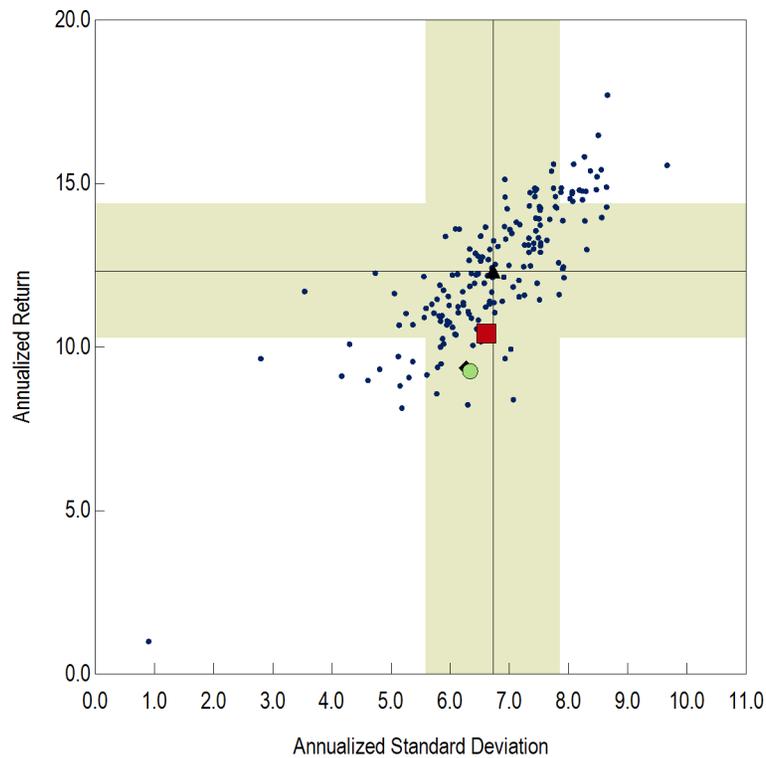
	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	7.84%	79	5.78%	56	1.35	86
Policy Index	6.64%	95	5.09%	20	1.30	91
S&P 500	19.73%	1	8.87%	99	2.22	3
60% MSCI ACWI (Net)/40% CITI WGBI	6.70%	95	6.57%	93	1.01	99
Citi WGBI	-0.07%	99	4.76%	11	-0.02	99
MSCI ACWI	11.32%	6	9.11%	99	1.24	94
MSCI ACWI ex USA	4.77%	99	9.97%	99	0.47	99
InvestorForce Public DB Gross Median	9.16%	--	5.65%	--	1.63	--

196 Portfolios

Vermont State Employees

Total Fund Risk/Return

3 Years Ending September 30, 2014



- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

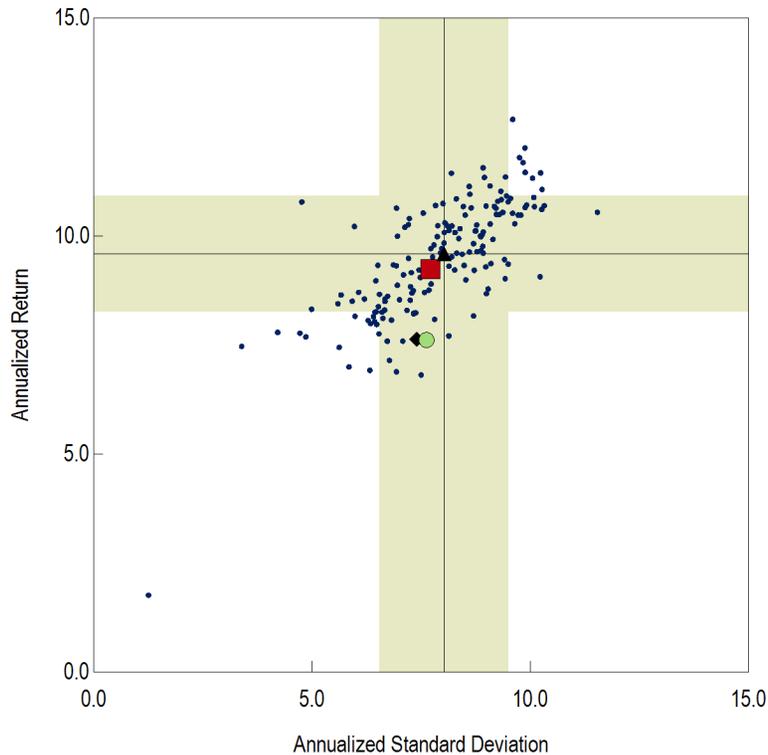
3 Years Ending September 30, 2014

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	10.42%	84	6.61%	46	1.57	91
Policy Index	9.35%	95	6.27%	30	1.48	97
S&P 500	22.99%	1	10.57%	99	2.17	6
60% MSCI ACWI (Net)/40% CITI WGBI	9.62%	93	8.12%	91	1.18	99
Citi WGBI	-0.51%	99	4.44%	3	-0.13	99
MSCI ACWI	16.61%	1	12.14%	99	1.36	99
MSCI ACWI ex USA	11.79%	61	14.35%	99	0.82	99
InvestorForce Public DB Gross Median	12.33%	--	6.72%	--	1.82	--

Vermont State Employees

Total Fund Risk/Return

5 Years Ending September 30, 2014



- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

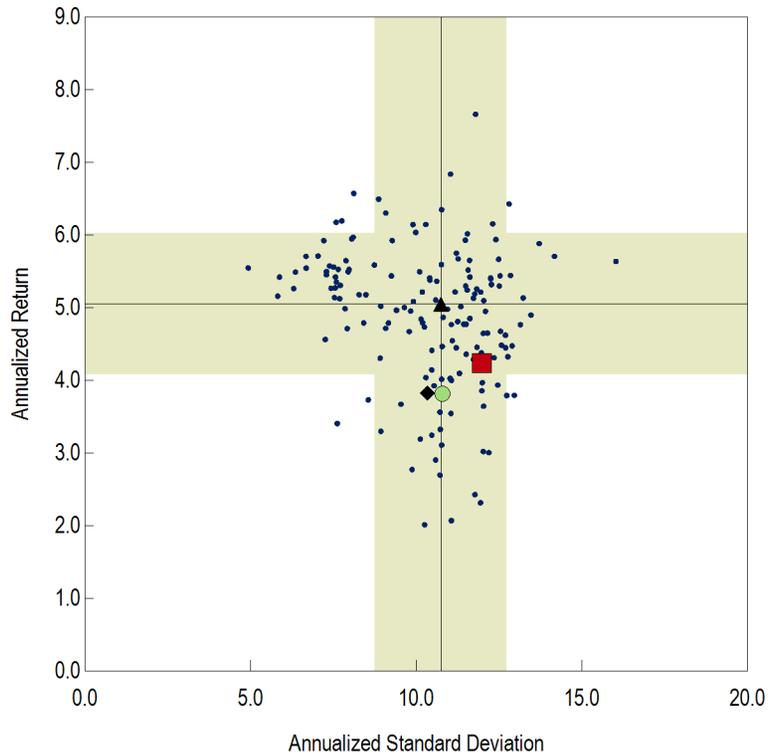
5 Years Ending September 30, 2014

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	9.25%	59	7.71%	43	1.19	49
Policy Index	7.63%	95	7.40%	36	1.02	94
S&P 500	15.70%	1	13.20%	99	1.18	51
60% MSCI ACWI (Net)/40% CITI WGBI	6.85%	99	9.79%	92	0.69	99
Citi WGBI	1.58%	99	5.94%	7	0.25	99
MSCI ACWI	10.07%	39	14.64%	99	0.68	99
MSCI ACWI ex USA	6.03%	99	16.45%	99	0.36	99
InvestorForce Public DB Gross Median	9.60%	--	8.02%	--	1.19	--

Vermont State Employees

Total Fund Risk/Return

7 Years Ending September 30, 2014



- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

7 Years Ending September 30, 2014

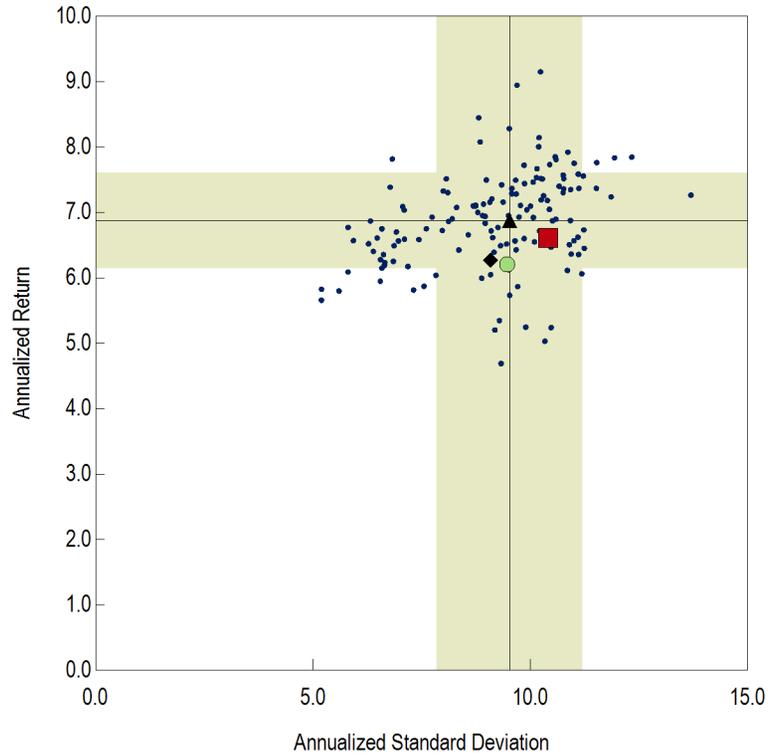
	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	4.23%	79	11.97%	78	0.32	84
Policy Index	3.83%	86	10.34%	43	0.33	79
S&P 500	6.02%	9	16.90%	99	0.33	78
60% MSCI ACWI (Net)/40% CITI WGBI	3.40%	92	12.56%	91	0.24	96
Citi WGBI	3.85%	86	7.11%	5	0.49	31
MSCI ACWI	2.40%	99	19.01%	99	0.11	99
MSCI ACWI ex USA	-0.16%	99	21.39%	99	-0.03	99
InvestorForce Public DB Gross Median	5.05%	--	10.74%	--	0.42	--

158 Portfolios

Vermont State Employees

Total Fund Risk/Return

10 Years Ending September 30, 2014

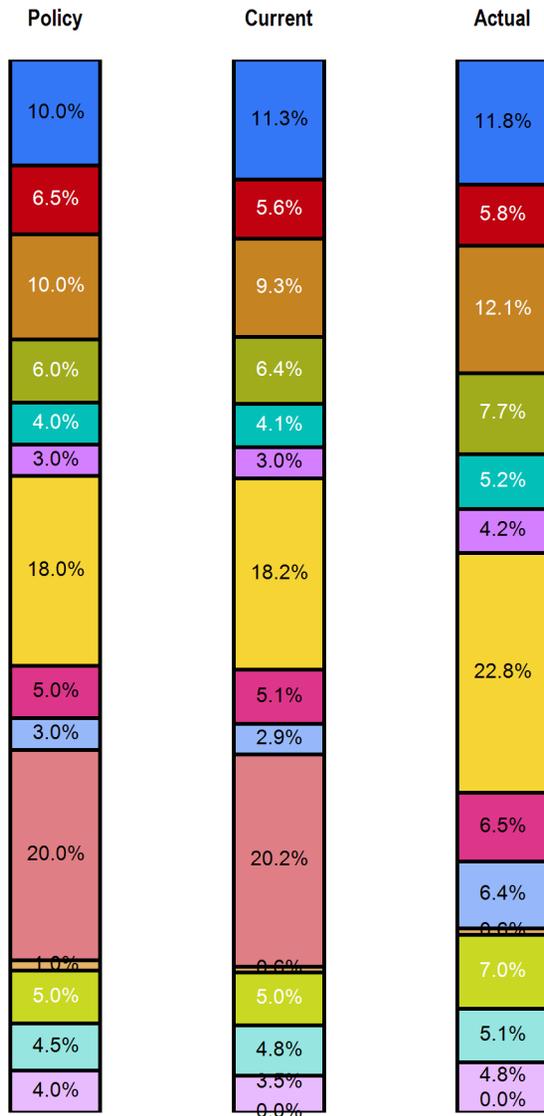


- Employees Composite
- ◆ Policy Index
- Allocation Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

10 Years Ending September 30, 2014

	Anlzd Return	Anlzd Return Rank	Anlzd Standard Deviation	Anlzd Standard Deviation Rank	Sharpe Ratio	Sharpe Ratio Rank
Employees Composite	6.61%	63	10.40%	75	0.49	84
Policy Index	6.27%	82	9.08%	39	0.53	74
S&P 500	8.11%	4	14.71%	99	0.45	92
60% MSCI ACWI (Net)/40% CITI WGBI	6.33%	82	11.03%	91	0.44	94
Citi WGBI	4.08%	99	6.75%	12	0.39	98
MSCI ACWI	7.28%	30	16.62%	99	0.35	99
MSCI ACWI ex USA	7.06%	42	18.94%	99	0.30	99
InvestorForce Public DB Gross Median	6.88%	--	9.52%	--	0.59	--

Total Fund Asset Allocation vs. Policy Targets

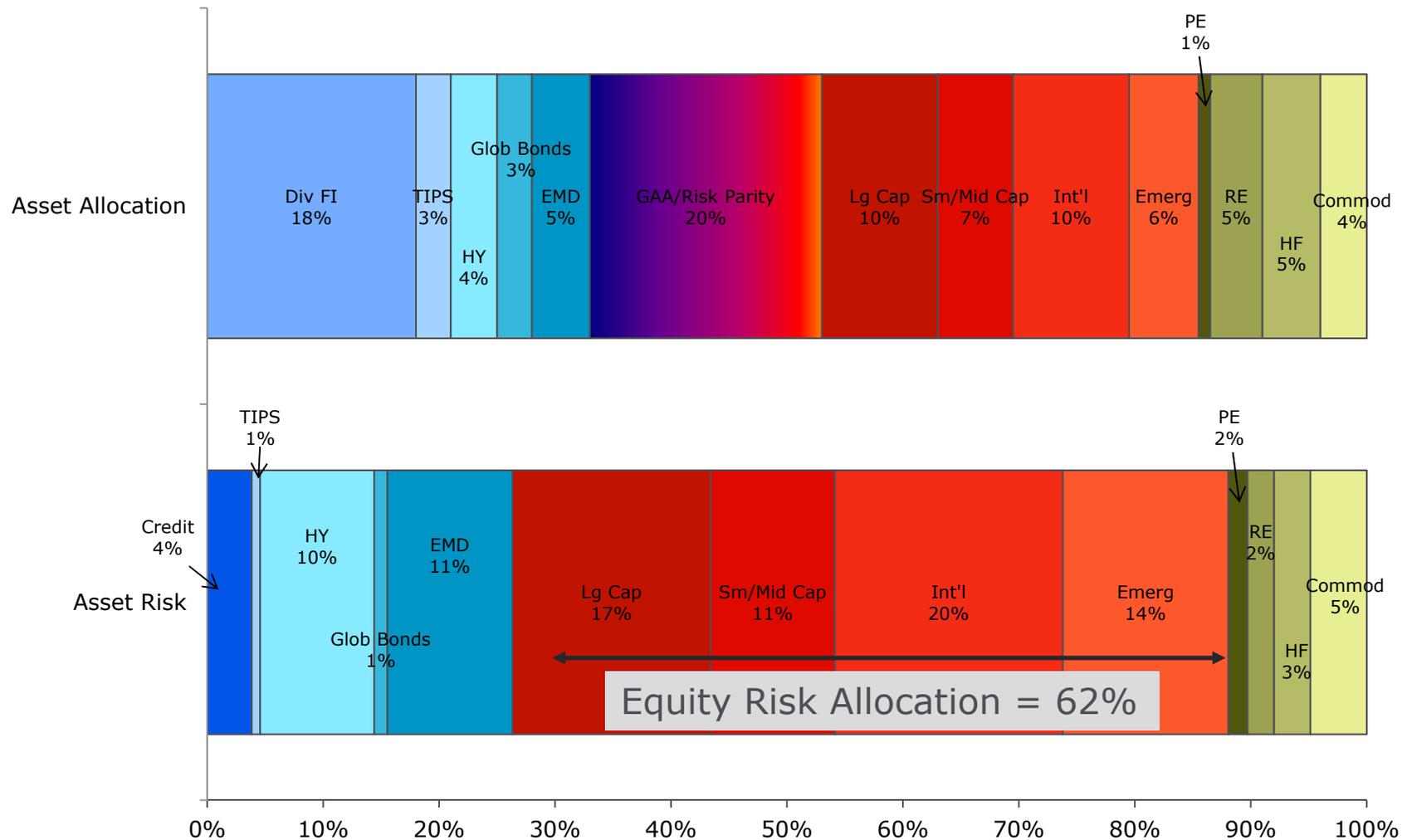


Asset Allocation vs. Target

	Current	Policy	Current	Difference*
Large Cap Equity	\$182,576,351	10.0%	11.3%	1.3%
Small/Mid Cap Equity	\$90,861,631	6.5%	5.6%	-0.9%
International Equity	\$150,037,376	10.0%	9.3%	-0.7%
Emerging Markets Equity	\$102,483,635	6.0%	6.4%	0.4%
High Yield	\$66,005,694	4.0%	4.1%	0.1%
TIPS	\$47,926,074	3.0%	3.0%	0.0%
Diversified Bond	\$293,229,390	18.0%	18.2%	0.2%
Emerging Market Debt	\$82,514,698	5.0%	5.1%	0.1%
Global Bonds	\$46,811,072	3.0%	2.9%	-0.1%
Balanced - GAA	\$325,133,920	20.0%	20.2%	0.2%
Private Equity	\$9,085,884	1.0%	0.6%	-0.4%
Hedge Funds	\$80,751,837	5.0%	5.0%	0.0%
Real Estate	\$77,835,500	4.5%	4.8%	0.3%
Commodities	\$56,258,527	4.0%	3.5%	-0.5%
Cash	\$56,280	--	0.0%	0.0%
Total	\$1,611,567,869	100.0%	100.0%	

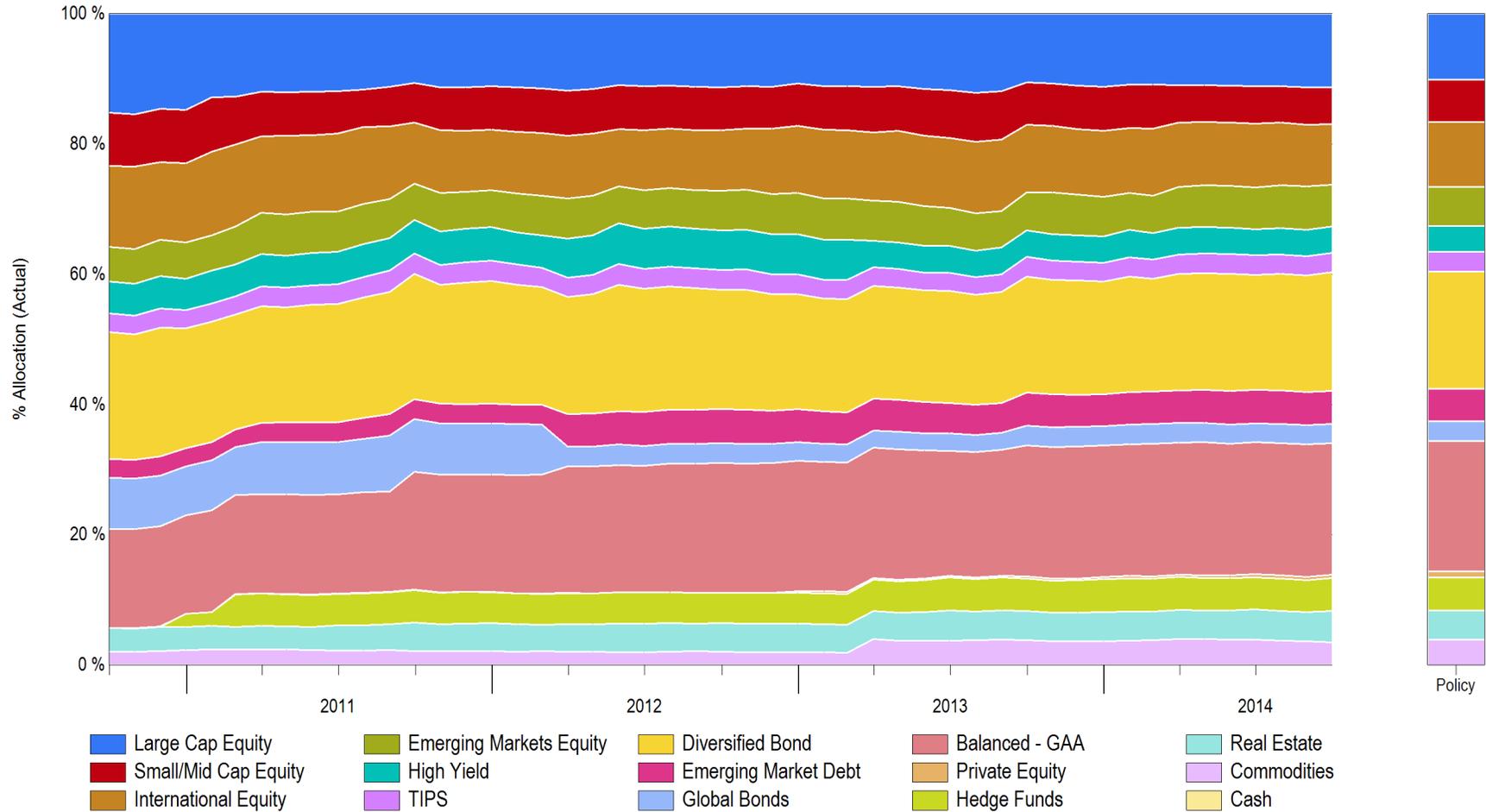
*Difference between Policy and Current Allocation

Total Fund Target Allocation vs. Asset Risk



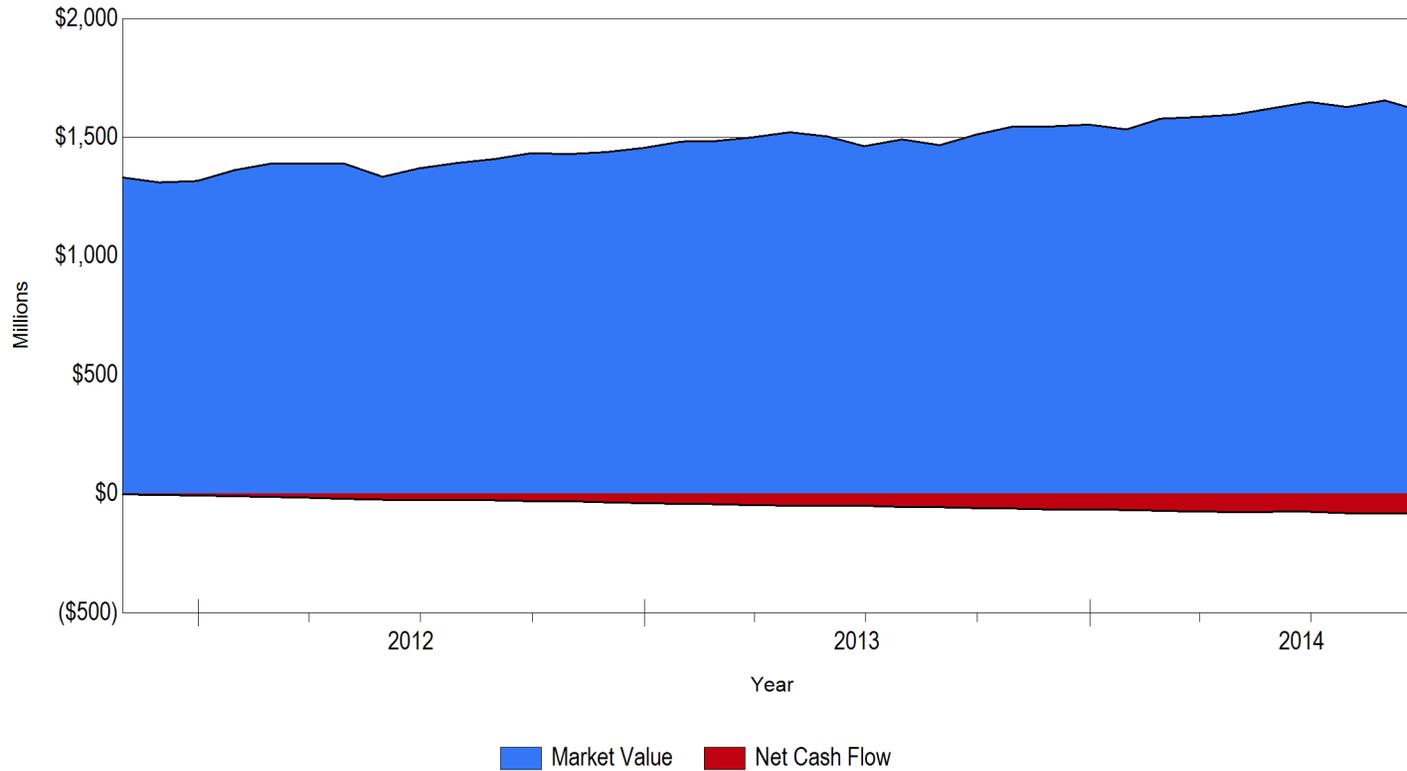
Total Fund Asset Allocation History

Asset Allocation History



Total Fund Asset Growth Summary

3 Years Ending September 30, 2014



	Last Three Months	Year-To-Date	One Year	Three Years
Beginning Market Value	\$1,649,761,578	\$1,554,748,707	\$1,512,815,261	\$1,265,575,125
- Withdrawals	-\$10,706,022	-\$53,067,948	-\$115,319,896	-\$407,417,521
+ Contributions	\$3,267,240	\$36,335,296	\$92,447,881	\$324,666,155
= Net Cash Flow	-\$7,438,782	-\$16,732,652	-\$22,872,015	-\$82,751,367
+ Net Investment Change	-\$30,754,926	\$73,551,814	\$121,624,623	\$428,744,111
= Ending Market Value	\$1,611,567,869	\$1,611,567,869	\$1,611,567,869	\$1,611,567,869

Vermont State Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2014					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
Aberdeen	\$106,173,568	-\$194,155	\$194,155	\$0	-\$3,689,933	\$102,483,635
Acadian	\$65,306,594	-\$80,638	\$80,638	\$0	-\$5,192,422	\$60,114,173
Allianz Structured Alpha	\$40,316,611	-\$225,951	\$0	-\$225,951	\$978,818	\$41,069,477
AQR Global Risk Premium	\$137,368,582	-\$138,561	\$138,561	\$0	-\$4,754,600	\$132,613,982
BlackRock TIPS	\$48,939,469	-\$9,316	\$9,316	\$0	-\$1,013,395	\$47,926,074
Champlain	\$33,256,824	-\$67,467	\$67,467	\$0	-\$613,137	\$32,643,687
GAM	\$15,992,522	\$0	\$0	\$0	-\$7,865	\$15,984,657
Grosvenor	\$32,703,994	\$0	\$0	\$0	-\$23,356	\$32,680,638
Guggenheim	\$49,974,239	-\$61,440	\$61,440	\$0	-\$62,171	\$49,912,068
Harbourvest Dover VIII Fund	\$3,284,003	\$0	\$771,965	\$771,965	\$0	\$4,055,968
Harbourvest Partners IX Buyout Fund	\$2,294,749	\$0	\$180,709	\$180,709	\$0	\$2,475,459
Harbourvest Partners IX Credit Opportunities	\$410,883	\$0	\$0	\$0	\$0	\$410,883
Harbourvest Partners IX Venture Fund	\$1,994,695	\$0	\$148,879	\$148,879	\$0	\$2,143,574
KDP	\$16,333,091	-\$25,800	\$25,800	\$0	-\$239,465	\$16,093,626
Mellon Global Expanded Alpha	\$32,219,921	-\$52,137	\$52,137	\$0	\$587,434	\$32,807,355
Mondrian	\$69,906,530	-\$66,000	\$66,000	\$0	-\$4,123,403	\$65,783,127
Mondrian GFI	\$48,143,047	-\$38,312	\$38,312	\$0	-\$1,331,975	\$46,811,072
Morgan Stanley Prime Property	\$33,346,821	-\$95,614	\$0	-\$95,614	\$1,336,116	\$34,587,323
Permal	\$32,474,855	\$0	\$0	\$0	-\$388,314	\$32,086,542
PIMCO All Asset	\$99,524,618	-\$219,311	\$0	-\$219,311	-\$2,649,596	\$96,655,711
PIMCO Core Plus	\$106,059,210	-\$76,391	\$76,391	\$0	-\$127,804	\$105,931,406
PIMCO Unconstrained	\$105,790,810	-\$156,006	\$156,006	\$0	\$317,256	\$106,108,066
RREEF America REIT III	\$10,107,313	-\$2,408,875	\$0	-\$2,408,875	\$433,911	\$8,132,350
Schroder	\$63,664,195	\$0	\$0	\$0	-\$7,405,668	\$56,258,527
Siguler Guff	\$3,587,371	\$0	\$976,928	\$976,928	\$222,804	\$4,787,103

Vermont State Employees

Total Fund Asset Growth Summary by Manager

	Quarter Ending September 30, 2014					Ending Market Value
	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	
SSgA ACWI Ex US	\$25,477,937	-\$4,378	\$4,378	\$0	-\$1,337,860	\$24,140,076
SSgA Russell 2000 Growth	\$21,115,543	-\$4,699	\$4,699	\$0	-\$1,272,815	\$19,842,728
SSgA S&P 400	\$8,255,962	-\$1,595	\$1,595	\$0	-\$330,099	\$7,925,864
SSgA S&P 500 Cap-Wgt	\$84,436,092	-\$3,506,211	\$6,211	-\$3,500,000	\$2,969,684	\$83,905,777
SSgA S&P 500 Equal-Wgt	\$49,123,666	-\$1,507,063	\$7,063	-\$1,500,000	\$1,178,806	\$48,802,472
T. Rowe	\$50,352,405	-\$843,888	\$43,888	-\$800,000	\$315,698	\$49,868,103
Transwestern / Aslan III	\$361,053	-\$851	\$0	-\$851	-\$13,543	\$346,659
UBS Trumbull	\$29,053,902	-\$79,841	\$79,841	\$0	\$928,163	\$29,982,065
Vermont Cash	\$822,942	-\$777,471	\$10,808	-\$766,662	\$0	\$56,280
Wellington	\$32,199,118	-\$64,051	\$64,051	\$0	-\$1,749,765	\$30,449,353
Wellington DAS	\$40,029,891	\$0	\$0	\$0	\$90,551	\$40,120,441
Wellington OIF	\$65,251,058	\$0	\$0	\$0	-\$2,194,187	\$63,056,871
Wellington Opportunistic EMD	\$84,107,494	\$0	\$0	\$0	-\$1,592,797	\$82,514,698
Total	\$1,649,761,578	-\$10,706,022	\$3,267,240	-\$7,438,782	-\$30,754,926	\$1,611,567,869

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Employees Composite	1,611,567,869	100.0	100.0	-2.1	92	4.5	24	7.8	79	10.4	84	9.2	59
<i>Policy Index</i>				-2.0	91	3.2	81	6.6	95	9.4	95	7.6	95
<i>Allocation Index</i>				-2.1	92	3.0	87	6.4	96	9.3	95	7.6	95
<i>InvestorForce Public DB Gross Median</i>				-1.3		3.9		9.2		12.3		9.6	
US Equity	273,437,982	17.0	--	-1.1	48	5.1	50	15.4	48	--	--	--	--
<i>Russell 3000</i>				0.0	35	7.0	35	17.8	32	23.1	46	15.8	56
<i>eA All US Equity Gross Median</i>				-1.4		5.0		14.9		22.8		16.1	
Large Cap Comp	182,576,351	11.3	10.0	0.5	50	8.1	38	19.3	38	23.7	35	16.6	27
<i>S&P 500</i>				1.1	34	8.3	33	19.7	33	23.0	46	15.7	47
<i>eA US Large Cap Equity Gross Median</i>				0.5		7.4		18.5		22.7		15.6	
T. Rowe	49,868,103	3.1	3.0	0.6	48	7.7	44	19.4	37	23.4	41	15.7	47
SSgA S&P 500 Cap-Wgt	83,905,777	5.2	4.0	1.1	34	8.4	33	19.8	33	23.0	46	--	--
<i>S&P 500</i>				1.1	34	8.3	33	19.7	33	23.0	46	15.7	47
SSgA S&P 500 Equal-Wgt	48,802,472	3.0	3.0	-0.6	79	7.9	42	18.6	49	24.9	19	17.6	12
<i>S&P 500 Equal Weighted</i>				-0.7	80	7.9	42	18.5	49	24.8	20	17.5	12
Small/Mid Cap Comp	90,861,631	5.6	6.5	-4.2	47	-0.5	57	8.3	56	22.1	51	16.4	48
<i>Russell 2000</i>				-7.4	91	-4.4	89	3.9	86	21.3	63	14.3	87
<i>eA US Small-Mid Cap Equity Gross Median</i>				-4.4		0.2		8.9		22.3		16.4	
SSgA S&P 400	7,925,864	0.5	0.5	-4.0	86	3.2	60	11.8	65	22.5	52	--	--
<i>S&P 400 MidCap</i>				-4.0	86	3.2	59	11.8	65	22.4	53	16.4	57
<i>eA US Mid Cap Equity Gross Median</i>				-2.1		4.2		13.3		22.6		16.6	
Champlain	32,643,687	2.0	2.0	-1.9	44	3.8	53	13.8	47	22.3	55	17.2	41
<i>Russell 2500</i>				-5.3	97	0.3	88	9.0	82	22.8	47	16.0	69
<i>eA US Mid Cap Equity Gross Median</i>				-2.1		4.2		13.3		22.6		16.6	
Wellington	30,449,353	1.9	2.0	-5.4	21	-3.6	69	5.0	77	21.5	65	16.0	42
<i>Russell 2000 Value</i>				-8.6	82	-4.7	81	4.1	81	20.6	76	13.0	88
<i>eA US Small Cap Value Equity Gross Median</i>				-6.8		-1.9		7.3		23.3		15.6	
SSgA Russell 2000 Growth	19,842,728	1.2	2.0	-6.1	68	-4.1	49	3.8	51	21.9	55	15.6	72
<i>Russell 2000 Growth</i>				-6.1	68	-4.0	49	3.8	51	21.9	55	15.5	72
<i>eA US Small Cap Growth Equity Gross Median</i>				-5.5		-4.6		3.8		22.1		17.0	

Fiscal Year End is 6/30

Report is Gross of manager fees, except where otherwise noted.

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Int'l Equity Comp	150,037,376	9.3	10.0	-6.7	77	1.4	16	8.7	17	13.8	77	7.6	71
MSCI EAFE				-5.9	58	-1.4	60	4.3	69	13.6	79	6.6	87
eA All EAFE Equity Gross Median				-5.7		-0.9		5.5		15.2		8.5	
Acadian	60,114,173	3.7	4.0	-7.9	94	0.1	34	8.6	18	15.1	53	8.3	57
Mondrian	65,783,127	4.1	4.0	-6.0	61	2.9	8	9.8	9	13.2	84	7.6	73
MSCI EAFE				-5.9	58	-1.4	60	4.3	69	13.6	79	6.6	87
SSgA ACWI Ex US	24,140,076	1.5	2.0	-5.3	51	0.2	40	5.1	61	12.1	81	--	--
MSCI ACWI ex USA				-5.3	52	0.0	41	4.8	66	11.8	84	6.0	94
eA ACWI ex-US All Cap Equity Gross Median				-5.2		-0.5		5.6		14.2		9.2	
Emerging Market Comp	102,483,635	6.4	6.0	-3.5	58	4.4	42	3.9	75	--	--	--	--
Aberdeen	102,483,635	6.4	6.0	-3.5	58	4.4	42	3.9	75	9.3	52	9.2	17
MSCI Emerging Markets				-3.5	60	2.4	65	4.3	72	7.2	80	4.4	75
eA Emg Mkts Equity Gross Median				-3.2		3.8		6.1		9.4		6.2	
US Fixed Income	407,161,158	25.3	--	0.0	63	4.8	27	4.6	45	--	--	--	--
Barclays Aggregate				0.2	38	4.1	42	4.0	57	2.4	72	4.1	65
eA All US Fixed Inc Gross Median				0.1		3.7		4.3		3.5		4.8	
Diversified Fixed	293,229,390	18.2	18.0	0.4	20	5.2	23	4.6	46	4.3	42	5.8	38
Barclays Aggregate				0.2	38	4.1	42	4.0	57	2.4	72	4.1	65
eA All US Fixed Inc Gross Median				0.1		3.7		4.3		3.5		4.8	
Allianz Structured Alpha	41,069,477	2.5	2.0	2.4	1	11.5	2	11.0	2	11.5	1	9.3	1
Citigroup 10 Year Treasury				0.7	4	6.9	4	4.3	58	1.3	99	4.6	66
PIMCO Core Plus	105,931,406	6.6	6.5	-0.2	96	3.8	78	3.2	89	3.3	49	5.0	39
Barclays Aggregate				0.2	57	4.1	65	4.0	72	2.4	87	4.1	82
PIMCO Unconstrained	106,108,066	6.6	6.5	0.3	22	3.1	89	2.6	94	2.5	86	--	--
25% HY, 25% EMD, 50% BC Agg				-0.8	99	4.8	24	5.9	13	5.9	4	6.7	5
3-Month Libor Total Return USD				0.1	76	0.2	99	0.2	99	0.3	99	0.3	99
Wellington DAS	40,120,441	2.5	3.0	0.2	43	8.0	2	7.1	4	4.4	15	7.5	3
Wellington Custom Benchmark				2.5	1	14.0	1	10.8	2	2.0	97	6.9	3

Allianz is Net of Fees from inception to Q3 2012, and Grossed up quarterly since.

Wellington DAS is Net of Fees

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
High Yield Comp	66,005,694	4.1	4.0	-0.4	3	4.2	23	7.2	54	10.7	53	10.2	62
Barclays High Yield				-1.9	66	3.5	59	7.2	54	11.1	47	10.6	50
eA US High Yield Fixed Inc Gross Median				-1.7		3.6		7.4		10.9		10.6	
KDP	16,093,626	1.0	1.0	-1.3	22	3.1	71	6.3	78	9.1	84	8.5	93
Barclays High Yield				-1.9	66	3.5	59	7.2	54	11.1	47	10.6	50
BofA Merrill Lynch US High Yield BB-B Rated				-1.6	42	3.9	36	7.3	51	10.3	64	9.9	69
Guggenheim	49,912,068	3.1	3.0	-0.1	1	4.5	13	--	--	--	--	--	--
Barclays High Yield				-1.9	66	3.5	59	7.2	54	11.1	47	10.6	50
eA US High Yield Fixed Inc Gross Median				-1.7		3.6		7.4		10.9		10.6	
TIPS	47,926,074	3.0	3.0										
BlackRock TIPS	47,926,074	3.0	3.0	-2.1	--	3.6	--	1.6	--	1.3	--	--	--
Barclays US TIPS				-2.0	--	3.7	--	1.6	--	1.3	--	4.5	--
Global Fixed Income Comp	46,811,072	2.9	3.0	-2.8	67	1.1	83	0.2	89	-0.4	99	3.2	78
Citi WGBI				-3.8	83	1.0	83	-0.1	92	-0.5	99	1.6	96
eA All Global Fixed Inc Gross Median				-2.1		3.3		4.6		4.9		5.1	
Mondrian GFI	46,811,072	2.9	3.0	-2.8	67	1.1	83	0.2	89	-1.1	99	2.0	94
Citi WGBI				-3.8	83	1.0	83	-0.1	92	-0.5	99	1.6	96
Emerging Market Debt	82,514,698	5.1	5.0										
Wellington Opportunistic EMD	82,514,698	5.1	5.0	-1.9	43	7.1	31	8.0	39	8.4	37	--	--
JP Morgan EMBI Global TR				-1.6	37	7.3	28	8.3	35	7.7	48	7.9	55
eA All Emg Mkts Fixed Inc Gross Median				-2.3		5.9		6.8		7.5		8.0	
Total Real Estate	77,835,500	4.8	4.5										
Morgan Stanley Prime Property	34,587,323	2.1	2.0	4.0	--	10.4	--	14.4	--	14.7	--	14.1	--
UBS Trumbull	29,982,065	1.9	2.0	3.2	--	8.3	--	10.8	--	10.5	--	11.1	--
RREEF America REIT III	8,132,350	0.5	0.5	5.6	--	24.6	--	28.3	--	22.2	--	21.4	--
Transwestern / Aslan III	346,659	0.0	0.0	-3.8	--	2.0	--	2.2	--	16.5	--	-4.2	--
NCREIF Property Index				2.6	--	8.5	--	11.3	--	11.1	--	11.0	--
NCREIF ODCE				3.2	--	8.9	--	12.4	--	12.3	--	12.4	--
Siguler Guff	4,787,103	0.3		5.4	--	--	--	--	--	--	--	--	--

Wellington Opportunistic EMD is Net of manager fees
Real Estate is as of Q3 2014

Vermont State Employees

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	Policy %	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Hedge Fund Comp	80,751,837	5.0	5.0	-0.5	64	2.7	48	7.1	44	8.7	33	--	--
<i>eA HFN FOF - Multi-Strategy Net Median</i>				-0.2		2.6		6.5		6.8		5.2	
Grosvenor	32,680,638	2.0	2.0	-0.1	47	2.8	45	7.1	44	8.9	30	--	--
GAM	15,984,657	1.0	1.0	0.0	46	1.8	60	6.2	53	8.1	40	--	--
Permal	32,086,542	2.0	2.0	-1.2	80	3.0	44	7.6	40	8.8	32	--	--
<i>HFRI Fund of Funds Composite Index</i>				0.3	35	2.4	53	6.2	53	5.2	72	3.4	74
GAA Comp	325,133,920	20.2	20.0	-2.7	62	6.0	12	8.9	23	9.6	43	9.3	22
<i>eA Global TAA Gross Median</i>				-2.0		3.1		6.6		8.7		7.0	
Mellon Global Expanded Alpha	32,807,355	2.0	2.5	1.8	11	1.4	71	6.0	61	10.4	35	8.7	26
<i>Mellon GA GEA Index</i>				-2.0	51	3.4	39	7.2	44	10.1	37	7.0	52
AQR Global Risk Premium	132,613,982	8.2	8.0	-3.5	75	10.1	2	12.1	8	9.5	44	12.0	5
<i>60% MSCI World / 40% CITI WGBI</i>				-2.7	62	3.1	51	7.6	42	10.7	32	7.7	39
PIMCO All Asset	96,655,711	6.0	5.0	-2.7	62	4.5	29	6.1	60	9.0	48	8.5	28
<i>PIMCO All Asset Index</i>				-0.8	23	4.1	32	5.2	67	5.2	76	6.1	68
<i>CPI + 5% (Seasonally Adjusted)</i>				1.2	12	5.1	17	6.7	48	6.7	68	7.0	51
Wellington OIF	63,056,871	3.9	4.5	-3.4	71	2.4	63	8.5	28	10.4	34	7.3	45
<i>65% MSCI ACWI (Net) / 35% BC Agg</i>				-1.4	41	3.9	35	8.8	25	11.6	22	8.2	32
Commodities	56,258,527	3.5	4.0										
Schroder	56,258,527	3.5	4.0	-11.6	--	-5.5	--	-7.2	--	-4.2	--	--	--
<i>Bloomberg Commodity Index</i>				-11.8	--	-5.6	--	-6.6	--	-5.3	--	-1.4	--
Cash	56,280	0.0	0.0										
Vermont Cash	56,280	0.0		0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
<i>91 Day T-Bills</i>				0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
Private Equity	9,085,884	0.6	1.0										
Harbourvest Partners IX Credit Opportunities	410,883	0.0											
Harbourvest Partners IX Venture Fund	2,143,574	0.1											
Harbourvest Partners IX Buyout Fund	2,475,459	0.2											
Harbourvest Dover VIII Fund	4,055,968	0.3											

Harbourvest is based on final Capital Account Statements for Q2 2014, and cash adjusted through September for any

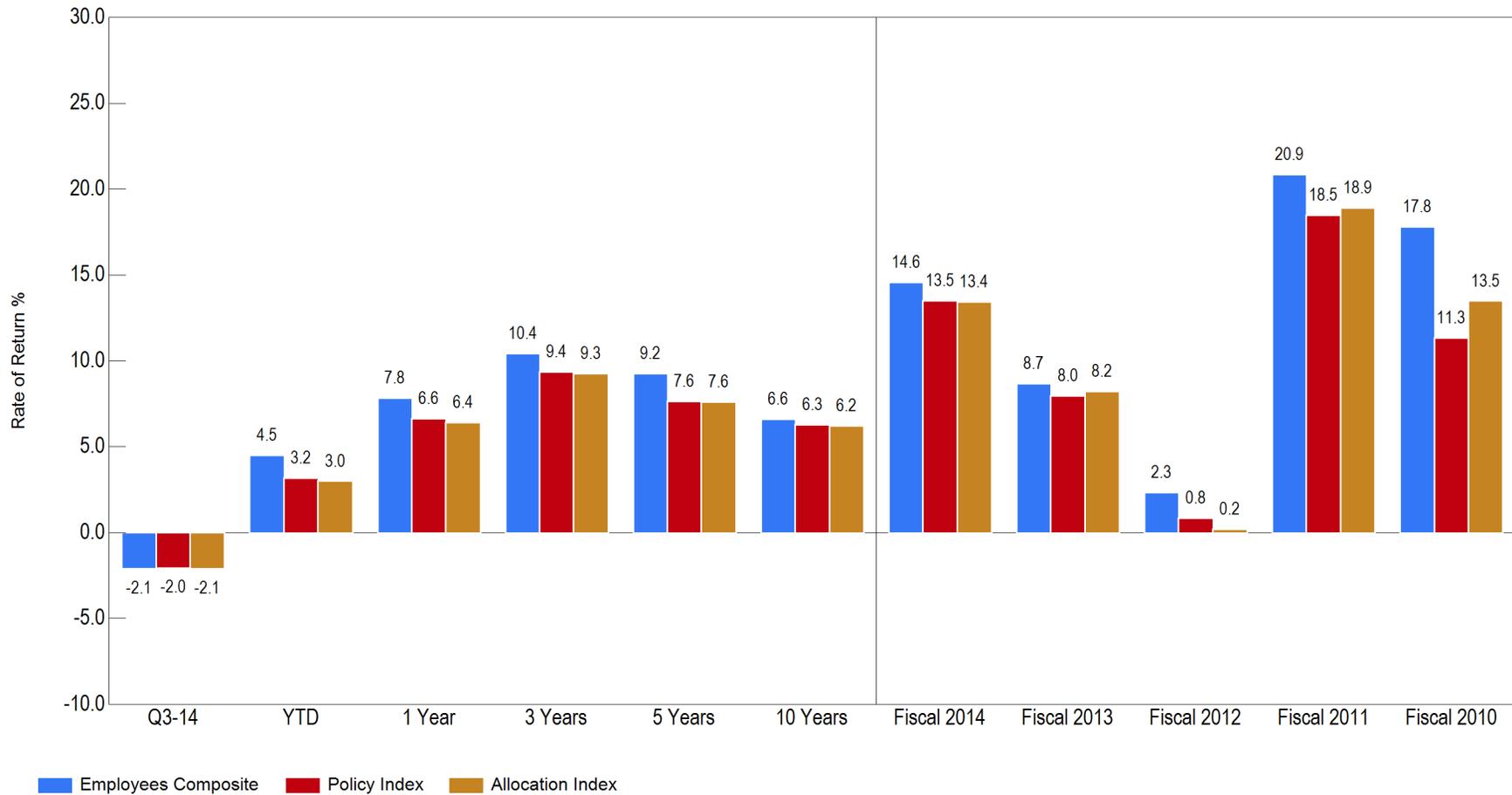
PIMCO All Asset Index: 40% BC Agg / 30% TIPS / 10% S&P500 / 10% BC HY / 10% JPM EMBI+

Mellon CF GEA Index: 50% MSCI ACWI / 25% CITI WGBI H/H / 10% BC Global Inflation Linked H/H / 5% BC US Interm. Credit / 5% DJ-UBS Commodity / 5% R2000.

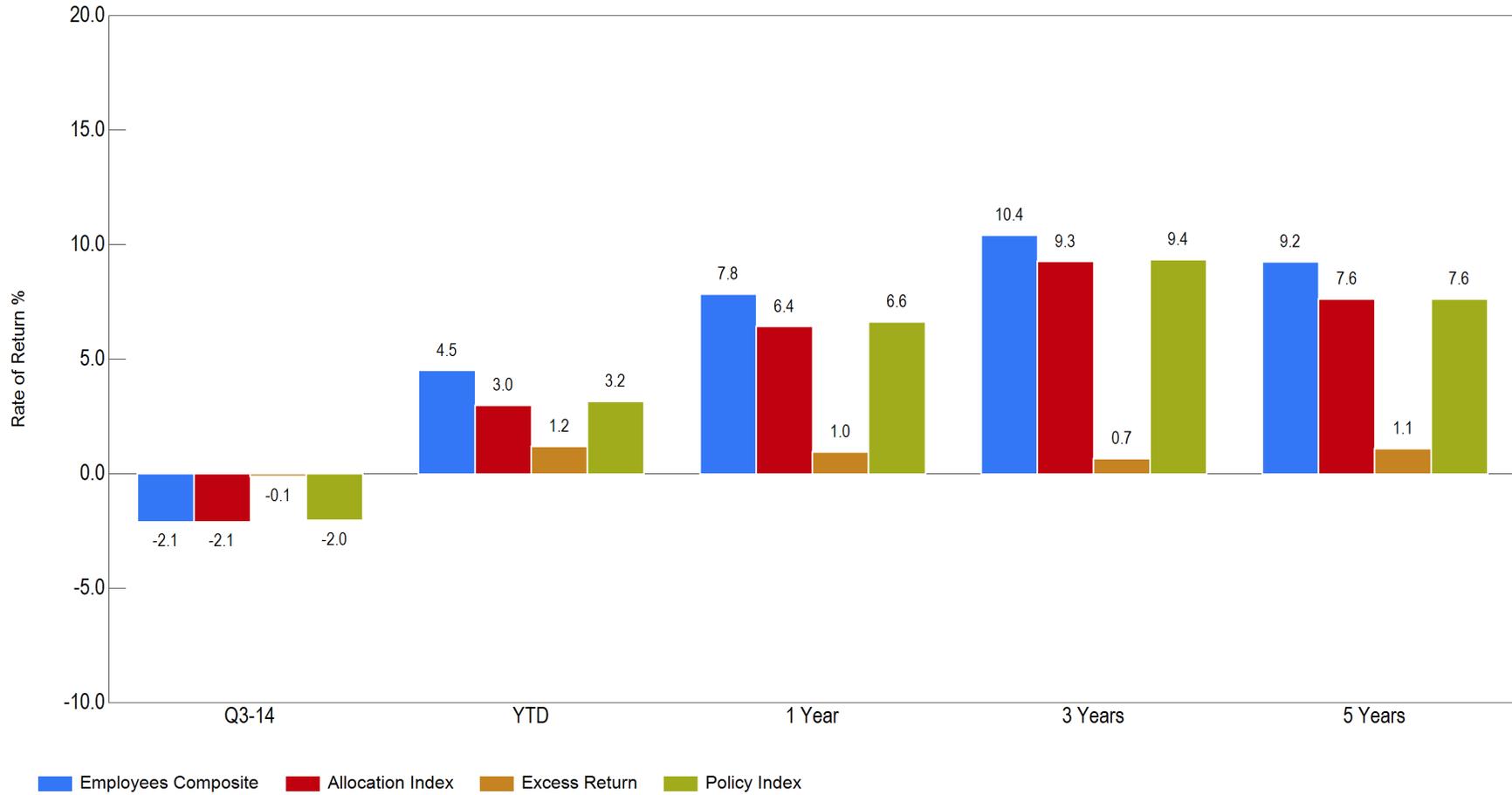
Hedge Fund Comp and Commodities are Net of Manager Fees

Wellington OIF is Net of Manager Fees

Return Summary Gross

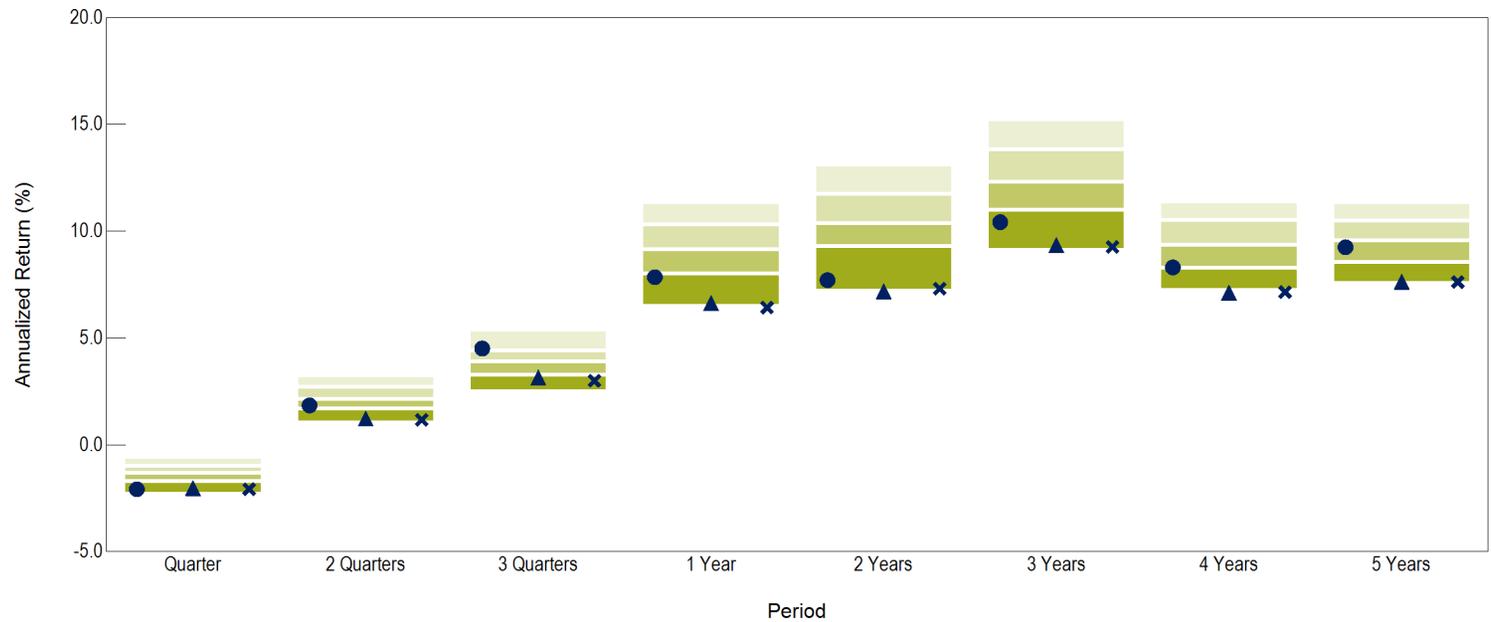


Return Summary Gross



Total Fund Return Summary vs. Peer Universe

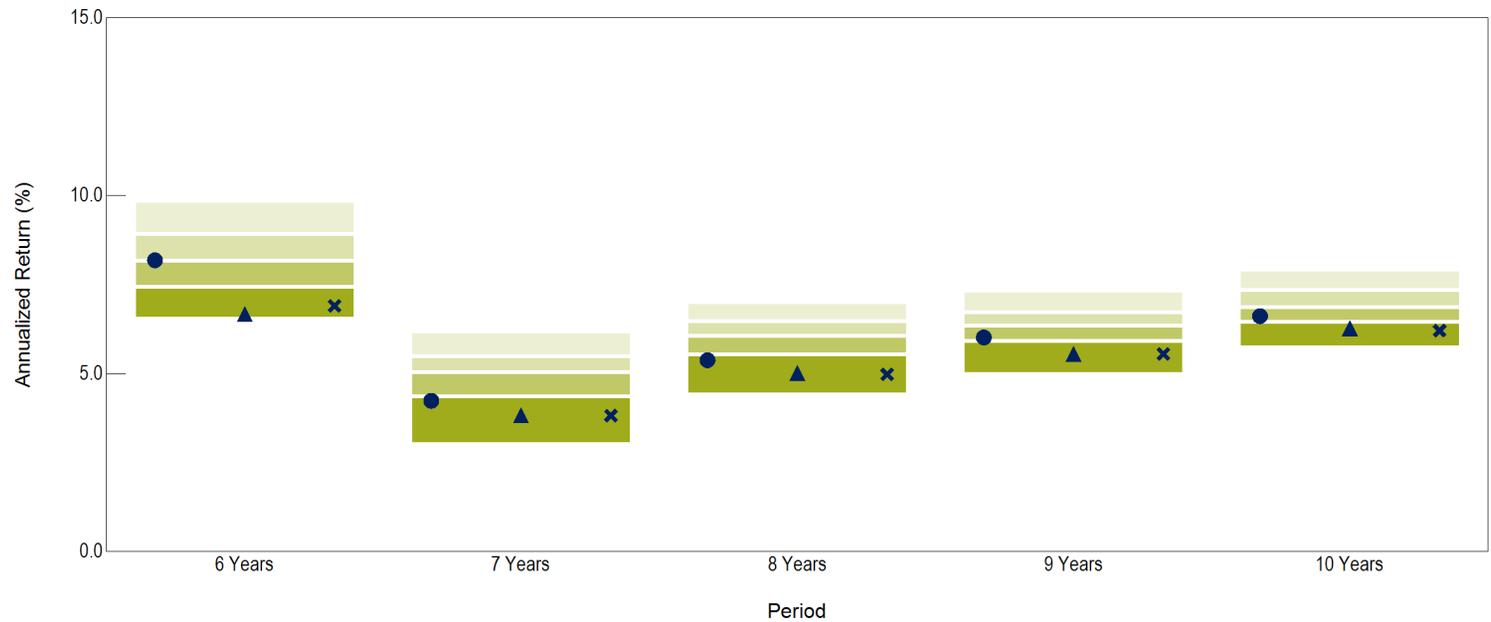
Employees Composite vs. InvestorForce Public DB Gross



	Return (Rank)											
5th Percentile	-0.6	3.2	5.4	11.4	13.1	15.2	11.4	11.4				
25th Percentile	-1.0	2.7	4.4	10.3	11.8	13.9	10.5	10.5				
Median	-1.3	2.2	3.9	9.2	10.4	12.3	9.4	9.6				
75th Percentile	-1.7	1.7	3.3	8.0	9.3	11.0	8.3	8.6				
95th Percentile	-2.3	1.1	2.5	6.5	7.2	9.1	7.3	7.6				
# of Portfolios	202	202	199	196	190	180	173	166				
● Employees Composite	-2.1 (92)	1.8 (68)	4.5 (24)	7.8 (79)	7.7 (91)	10.4 (84)	8.3 (75)	9.2 (59)				
▲ Policy Index	-2.0 (91)	1.2 (94)	3.2 (81)	6.6 (95)	7.2 (96)	9.4 (95)	7.1 (97)	7.6 (95)				
× Allocation Index	-2.1 (92)	1.2 (95)	3.0 (87)	6.4 (96)	7.3 (95)	9.3 (95)	7.1 (97)	7.6 (95)				

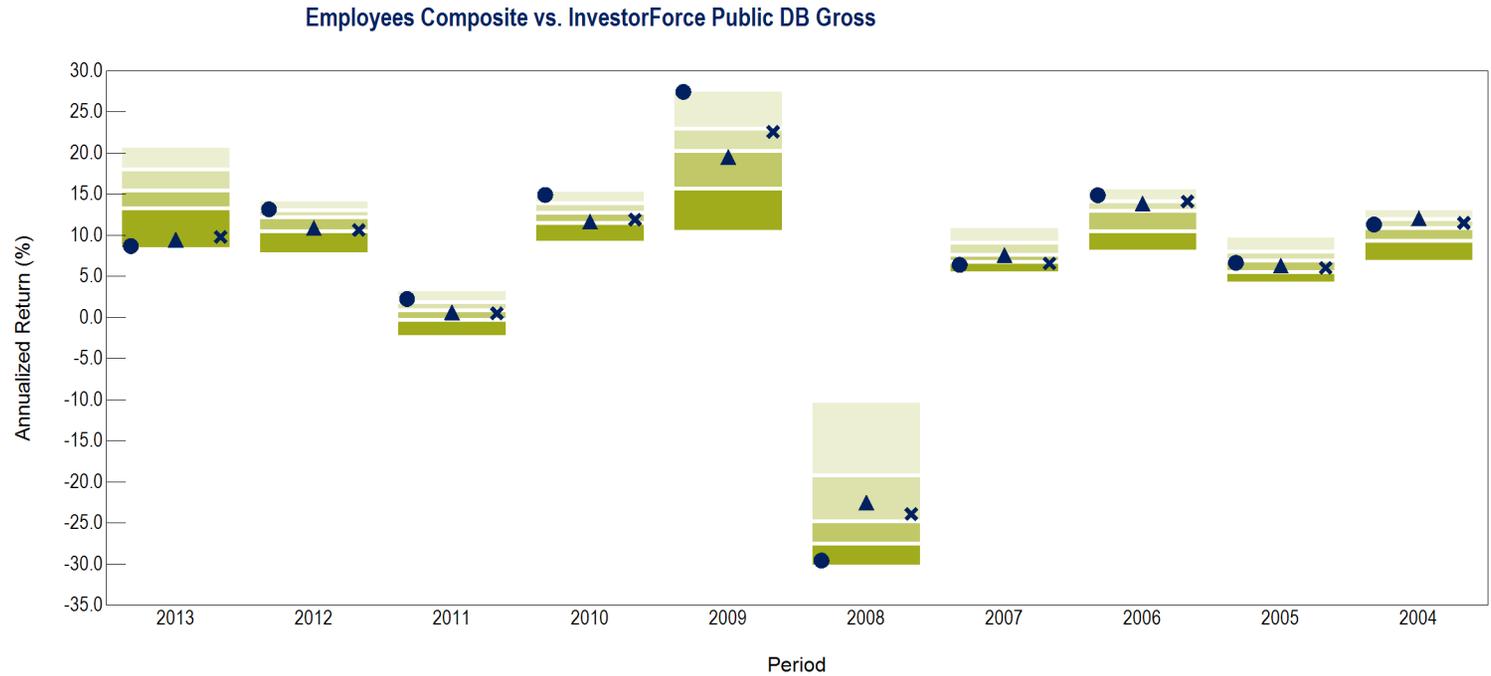
Total Fund Return Summary vs. Peer Universe

Employees Composite vs. InvestorForce Public DB Gross



	Return (Rank)									
5th Percentile	9.9		6.2		7.0		7.3		7.9	
25th Percentile	8.9		5.5		6.5		6.7		7.4	
Median	8.2		5.1		6.1		6.4		6.9	
75th Percentile	7.5		4.4		5.6		5.9		6.5	
95th Percentile	6.6		3.0		4.4		5.0		5.7	
# of Portfolios	165		158		156		151		143	
● Employees Composite	8.2	(51)	4.2	(79)	5.4	(81)	6.0	(69)	6.6	(63)
▲ Policy Index	6.7	(95)	3.8	(86)	5.0	(92)	5.6	(90)	6.3	(82)
× Allocation Index	6.9	(91)	3.8	(86)	5.0	(92)	5.6	(90)	6.2	(84)

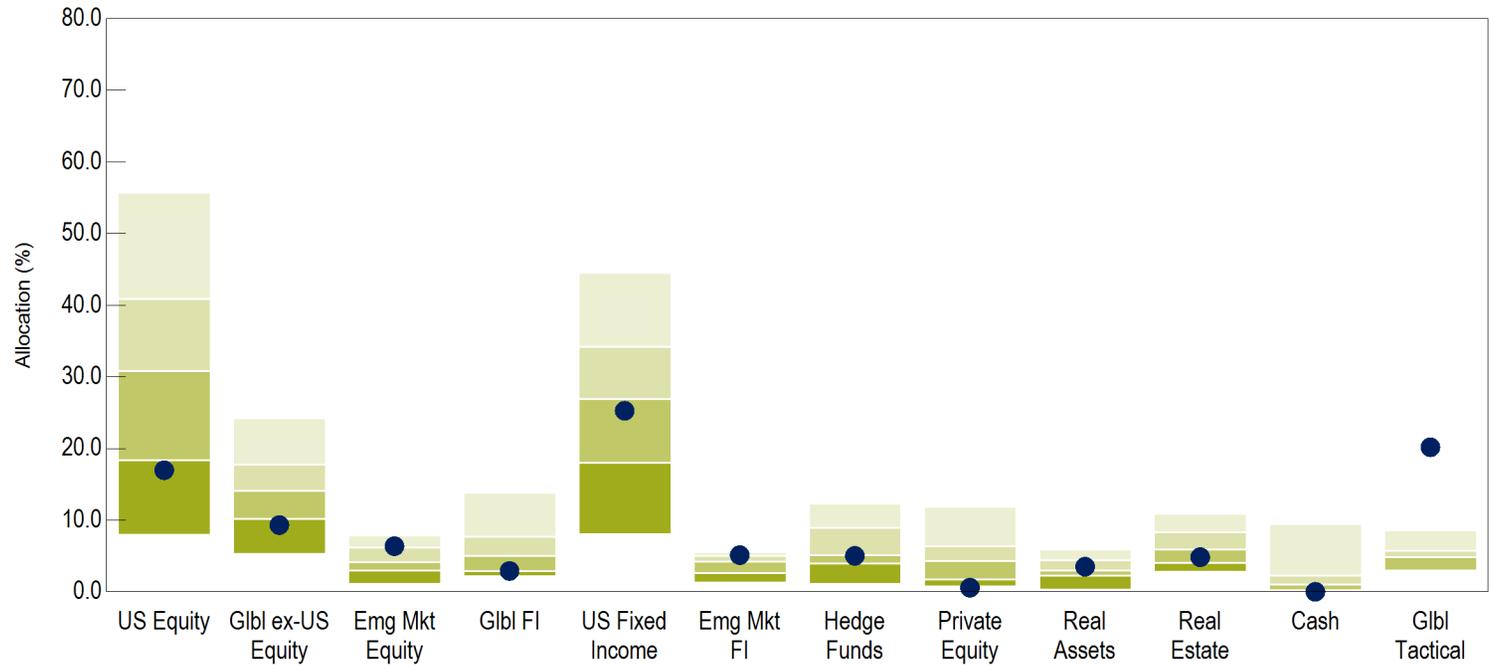
Total Fund Return Summary vs. Peer Universe



	Return (Rank)																													
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004										
5th Percentile	20.8	14.3	3.4	15.5	27.6	-10.2	11.1	15.8	9.9	13.2	20.8	14.3	3.4	15.5	27.6	-10.2	11.1	15.8	9.9	13.2	20.8	14.3	3.4	15.5	27.6	-10.2	11.1	15.8	9.9	13.2
25th Percentile	18.0	13.1	1.9	13.9	23.0	-19.2	9.1	14.2	8.1	12.0	18.0	13.1	1.9	13.9	23.0	-19.2	9.1	14.2	8.1	12.0	18.0	13.1	1.9	13.9	23.0	-19.2	9.1	14.2	8.1	12.0
Median	15.5	12.2	0.9	12.8	20.3	-24.7	7.7	13.0	6.9	10.9	15.5	12.2	0.9	12.8	20.3	-24.7	7.7	13.0	6.9	10.9	15.5	12.2	0.9	12.8	20.3	-24.7	7.7	13.0	6.9	10.9
75th Percentile	13.3	10.5	-0.3	11.5	15.7	-27.4	6.8	10.5	5.5	9.4	13.3	10.5	-0.3	11.5	15.7	-27.4	6.8	10.5	5.5	9.4	13.3	10.5	-0.3	11.5	15.7	-27.4	6.8	10.5	5.5	9.4
95th Percentile	8.4	7.7	-2.4	9.2	10.4	-30.2	5.4	8.0	4.2	6.8	8.4	7.7	-2.4	9.2	10.4	-30.2	5.4	8.0	4.2	6.8	8.4	7.7	-2.4	9.2	10.4	-30.2	5.4	8.0	4.2	6.8
# of Portfolios	212	192	162	154	152	149	146	136	131	125	212	192	162	154	152	149	146	136	131	125	212	192	162	154	152	149	146	136	131	125
● Employees Composite	8.7 (94)	13.1 (24)	2.2 (17)	14.9 (12)	27.4 (6)	-29.6 (90)	6.4 (81)	14.9 (16)	6.6 (56)	11.3 (42)	8.7 (94)	13.1 (24)	2.2 (17)	14.9 (12)	27.4 (6)	-29.6 (90)	6.4 (81)	14.9 (16)	6.6 (56)	11.3 (42)	8.7 (94)	13.1 (24)	2.2 (17)	14.9 (12)	27.4 (6)	-29.6 (90)	6.4 (81)	14.9 (16)	6.6 (56)	11.3 (42)
▲ Policy Index	9.5 (92)	10.9 (71)	0.6 (62)	11.7 (72)	19.5 (53)	-22.5 (39)	7.6 (52)	13.9 (31)	6.3 (59)	12.1 (23)	9.5 (92)	10.9 (71)	0.6 (62)	11.7 (72)	19.5 (53)	-22.5 (39)	7.6 (52)	13.9 (31)	6.3 (59)	12.1 (23)	9.5 (92)	10.9 (71)	0.6 (62)	11.7 (72)	19.5 (53)	-22.5 (39)	7.6 (52)	13.9 (31)	6.3 (59)	12.1 (23)
× Allocation Index	9.8 (91)	10.6 (74)	0.5 (63)	11.9 (69)	22.6 (26)	-23.9 (46)	6.6 (79)	14.1 (27)	6.0 (66)	11.5 (35)	9.8 (91)	10.6 (74)	0.5 (63)	11.9 (69)	22.6 (26)	-23.9 (46)	6.6 (79)	14.1 (27)	6.0 (66)	11.5 (35)	9.8 (91)	10.6 (74)	0.5 (63)	11.9 (69)	22.6 (26)	-23.9 (46)	6.6 (79)	14.1 (27)	6.0 (66)	11.5 (35)

Total Fund Allocation vs. Peer Universe

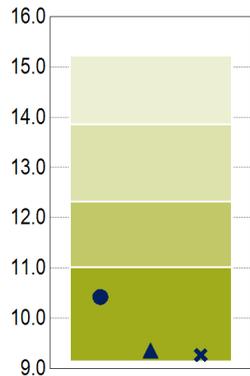
Total Plan Allocation vs. InvestorForce Public DB Gross
As of September 30, 2014



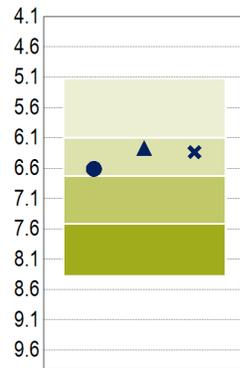
	Allocation (Rank)												
5th Percentile	55.7	24.2	7.9	13.9	44.5	5.5	12.3	11.9	5.9	10.9	9.5	8.6	--
25th Percentile	41.0	17.8	6.2	7.8	34.3	5.1	9.0	6.4	4.5	8.4	2.3	5.8	--
Median	30.9	14.2	4.2	5.1	27.0	4.3	5.2	4.4	3.1	6.0	1.1	4.9	--
75th Percentile	18.4	10.2	3.0	3.0	18.1	2.7	4.0	1.8	2.3	4.1	0.3	3.0	--
95th Percentile	8.1	5.3	1.1	2.2	8.1	1.4	1.2	0.8	0.4	2.9	0.0	2.8	--
# of Portfolios	177	175	64	36	160	34	49	57	39	121	169	20	--
● Employees Composite	17.0 (79)	9.3 (82)	6.4 (21)	2.9 (81)	25.3 (59)	5.1 (26)	5.0 (55)	0.6 (99)	3.5 (40)	4.8 (67)	0.0 (92)	20.2 (1)	--

Employees Composite vs. IFx Public DB Gross
3 Years

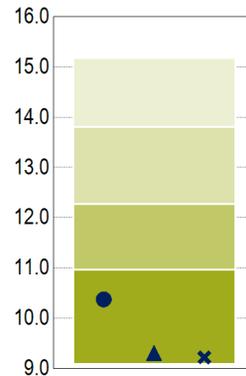
Anlzd Return



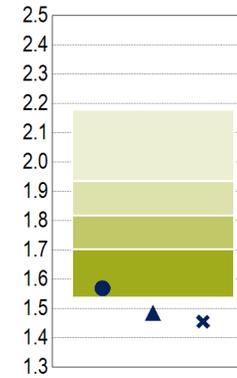
Anlzd Standard Deviation



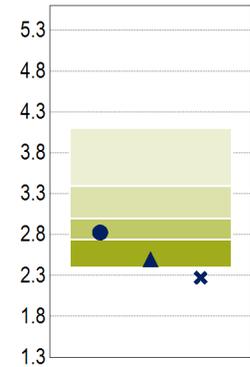
Ann Excess RF Return



Sharpe Ratio



Sortino Ratio RF



● Employees Composite	
Value	10.42
%tile	84
▲ Policy Index	
Value	9.35
%tile	95
× Allocation Index	
Value	9.26
%tile	95
Universe	
5th %tile	15.22
25th %tile	13.86
Median	12.33
75th %tile	11.02
95th %tile	9.15

● Employees Composite	
Value	6.61
%tile	46
▲ Policy Index	
Value	6.27
%tile	30
× Allocation Index	
Value	6.34
%tile	34
Universe	
5th %tile	5.12
25th %tile	6.09
Median	6.72
75th %tile	7.51
95th %tile	8.37

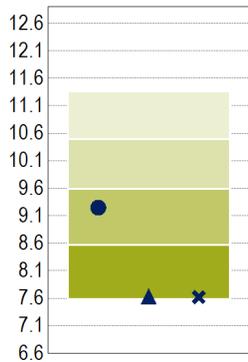
● Employees Composite	
Value	10.37
%tile	84
▲ Policy Index	
Value	9.31
%tile	95
× Allocation Index	
Value	9.21
%tile	95
Universe	
5th %tile	15.17
25th %tile	13.81
Median	12.28
75th %tile	10.98
95th %tile	9.10

● Employees Composite	
Value	1.57
%tile	91
▲ Policy Index	
Value	1.48
%tile	97
× Allocation Index	
Value	1.45
%tile	98
Universe	
5th %tile	2.18
25th %tile	1.94
Median	1.82
75th %tile	1.70
95th %tile	1.54

● Employees Composite	
Value	2.82
%tile	66
▲ Policy Index	
Value	2.50
%tile	93
× Allocation Index	
Value	2.27
%tile	98
Universe	
5th %tile	4.10
25th %tile	3.40
Median	3.01
75th %tile	2.74
95th %tile	2.40

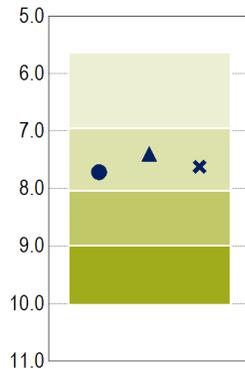
Employees Composite vs. IFx Public DB Gross
5 Years

Anlzd Return



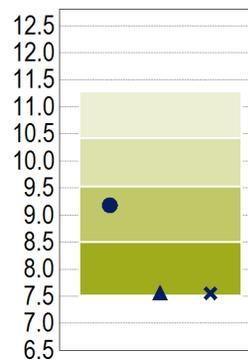
● Employees Composite	Value	9.25
	%tile	59
▲ Policy Index	Value	7.63
	%tile	95
✕ Allocation Index	Value	7.62
	%tile	95
Universe	5th %tile	11.36
	25th %tile	10.50
	Median	9.60
	75th %tile	8.57
	95th %tile	7.59

Anlzd Standard Deviation



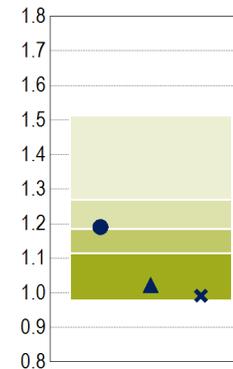
● Employees Composite	Value	7.71
	%tile	43
▲ Policy Index	Value	7.40
	%tile	36
✕ Allocation Index	Value	7.62
	%tile	40
Universe	5th %tile	5.63
	25th %tile	6.94
	Median	8.02
	75th %tile	8.98
	95th %tile	10.01

Ann Excess RF Return



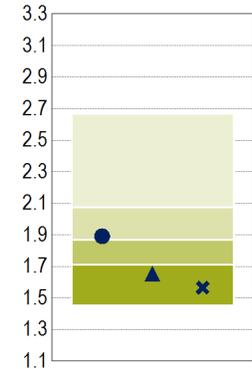
● Employees Composite	Value	9.18
	%tile	59
▲ Policy Index	Value	7.57
	%tile	95
✕ Allocation Index	Value	7.55
	%tile	95
Universe	5th %tile	11.29
	25th %tile	10.43
	Median	9.53
	75th %tile	8.51
	95th %tile	7.53

Sharpe Ratio



● Employees Composite	Value	1.19
	%tile	49
▲ Policy Index	Value	1.02
	%tile	94
✕ Allocation Index	Value	0.99
	%tile	95
Universe	5th %tile	1.51
	25th %tile	1.27
	Median	1.19
	75th %tile	1.12
	95th %tile	0.98

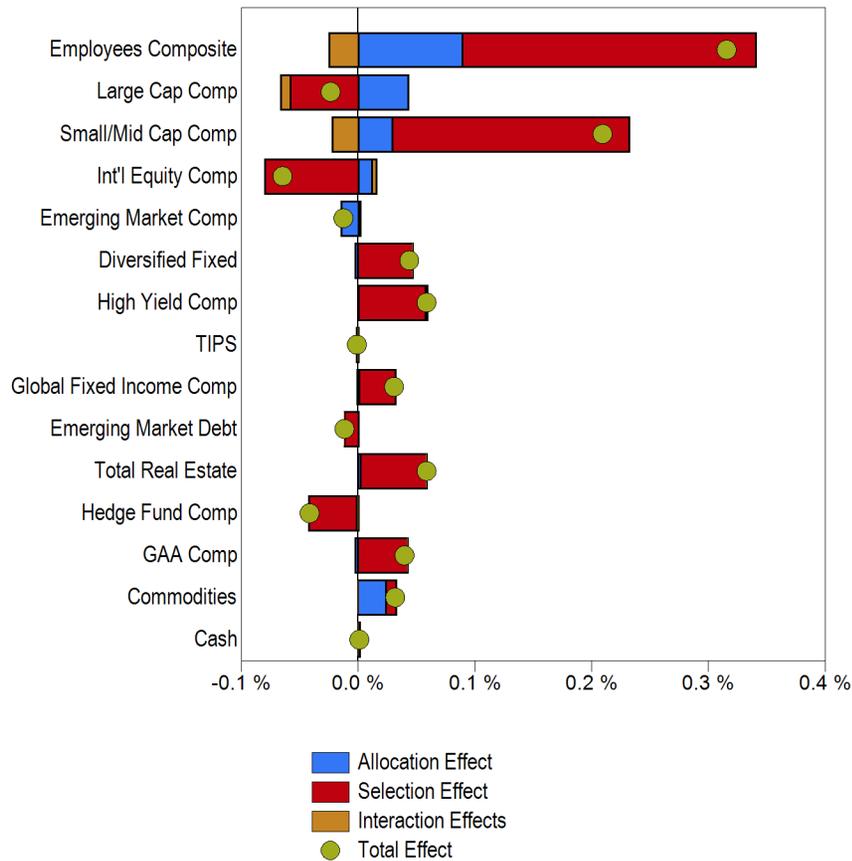
Sortino Ratio RF



● Employees Composite	Value	1.89
	%tile	44
▲ Policy Index	Value	1.65
	%tile	83
✕ Allocation Index	Value	1.57
	%tile	91
Universe	5th %tile	2.67
	25th %tile	2.08
	Median	1.87
	75th %tile	1.72
	95th %tile	1.45

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending September 30, 2014



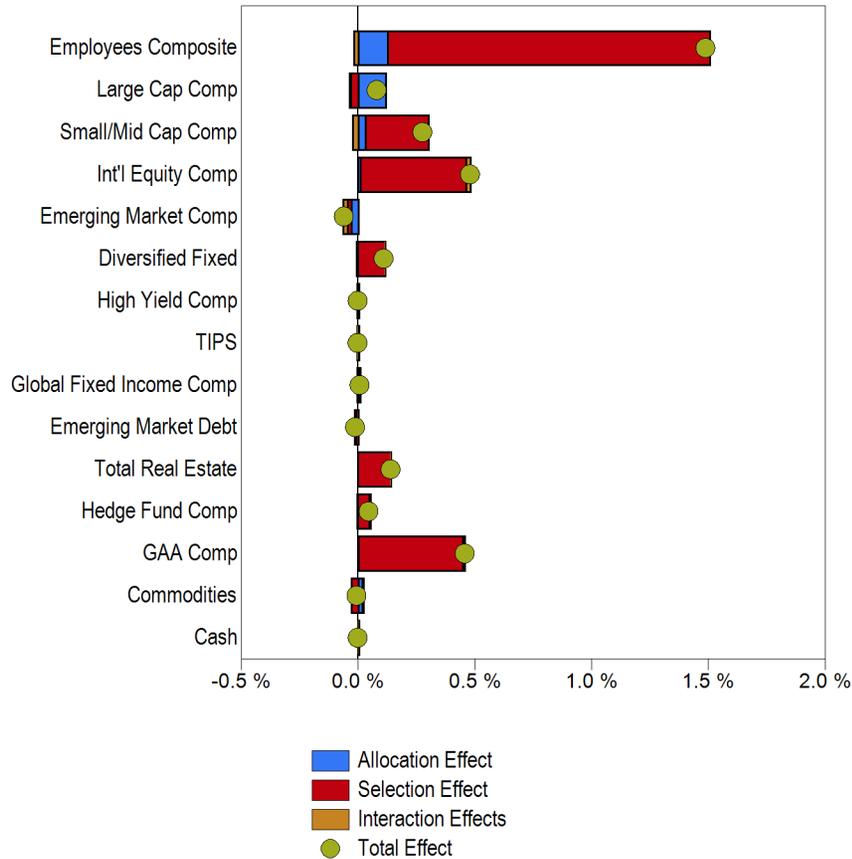
Attribution Summary
3 Months Ending September 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	0.5%	1.1%	-0.6%	-0.1%	0.0%	0.0%	0.0%
Small/Mid Cap Comp	-4.2%	-7.4%	3.2%	0.2%	0.0%	0.0%	0.2%
Int'l Equity Comp	-6.7%	-5.9%	-0.8%	-0.1%	0.0%	0.0%	-0.1%
Emerging Market Comp	-3.5%	-3.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Diversified Fixed	0.4%	0.2%	0.3%	0.0%	0.0%	0.0%	0.0%
High Yield Comp	-0.4%	-1.9%	1.5%	0.1%	0.0%	0.0%	0.1%
TIPS	-2.1%	-2.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	-2.8%	-3.8%	1.0%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	-1.9%	-1.6%	-0.2%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	3.9%	2.6%	1.3%	0.1%	0.0%	0.0%	0.1%
Hedge Fund Comp	-0.5%	0.3%	-0.8%	0.0%	0.0%	0.0%	0.0%
GAA Comp	-2.7%	-2.9%	0.2%	0.0%	0.0%	0.0%	0.0%
Commodities	-11.6%	-11.8%	0.2%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	-2.1%	-2.4%	0.3%	0.3%	0.1%	0.0%	0.3%

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report. The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark. The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite. May not add up due to rounding.

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
1 Year Ending September 30, 2014



Attribution Summary
1 Year Ending September 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Comp	19.3%	19.7%	-0.4%	0.0%	0.1%	0.0%	0.1%
Small/Mid Cap Comp	8.3%	3.9%	4.4%	0.3%	0.0%	0.0%	0.3%
Int'l Equity Comp	8.7%	4.3%	4.5%	0.5%	0.0%	0.0%	0.5%
Emerging Market Comp	3.9%	4.3%	-0.4%	0.0%	0.0%	0.0%	-0.1%
Diversified Fixed	4.6%	4.0%	0.6%	0.1%	0.0%	0.0%	0.1%
High Yield Comp	7.2%	7.2%	0.0%	0.0%	0.0%	0.0%	0.0%
TIPS	1.6%	1.6%	0.0%	0.0%	0.0%	0.0%	0.0%
Global Fixed Income Comp	0.2%	-0.1%	0.3%	0.0%	0.0%	0.0%	0.0%
Emerging Market Debt	8.0%	8.3%	-0.3%	0.0%	0.0%	0.0%	0.0%
Total Real Estate	14.4%	11.3%	3.2%	0.1%	0.0%	0.0%	0.1%
Hedge Fund Comp	7.1%	6.2%	0.9%	0.0%	0.0%	0.0%	0.0%
GAA Comp	8.9%	6.7%	2.2%	0.4%	0.0%	0.0%	0.5%
Commodities	-7.2%	-6.6%	-0.6%	0.0%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	7.8%	6.3%	1.6%	1.4%	0.1%	0.0%	1.5%

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated returns shown on the performance report. The target return shown for each composite is a custom index, based on aggregated policy indices. This policy index asset weights the underlying policy indices of each option in the plan and the respective benchmark. The allocation, selection, and interaction effects are calculated using the custom index described above along with the policy or target weight of each composite. May not add up due to rounding.

Vermont State Employees

Total Fund Risk Statistics

3 Years Ending September 30, 2014

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Employees Composite	100.00%	10.42%	84	6.61%	46	0.63%	30	1.57	91	2.82	66	0.86%	22
Policy Index	--	9.35%	95	6.27%	30	0.00%	59	1.48	97	2.50	93	0.00%	1
US Equity	16.97%	23.23%	44	11.85%	38	-1.39%	44	1.96	36	3.72	23	1.56%	4
Russell 3000	--	23.08%	46	11.04%	23	0.00%	33	2.09	26	3.81	18	0.00%	1
Large Cap Comp	11.33%	23.69%	35	11.09%	42	-0.35%	44	2.13	37	3.80	24	1.01%	1
S&P 500	--	22.99%	46	10.57%	26	0.00%	40	2.17	31	3.74	27	0.00%	1
Small/Mid Cap Comp	5.64%	22.14%	51	13.68%	37	3.24%	58	1.61	48	3.44	22	2.68%	1
Russell 2000	--	21.26%	63	15.22%	74	0.00%	85	1.39	76	2.68	64	0.00%	1
Int'l Equity Comp	9.31%	13.84%	77	13.55%	36	1.04%	71	1.02	69	1.37	78	2.28%	13
MSCI EAFE	--	13.65%	79	14.28%	70	0.00%	88	0.95	84	1.35	81	0.00%	1
Emerging Market Comp	6.36%	9.31%	52	16.62%	46	2.62%	53	0.56	55	0.85	52	4.75%	61
MSCI Emerging Markets	--	7.19%	80	17.19%	70	0.00%	80	0.42	81	0.65	76	0.00%	1
US Fixed Income	25.26%	5.13%	35	3.35%	67	2.28%	32	1.52	47	1.89	55	1.27%	32
Barclays Aggregate	--	2.43%	72	2.67%	49	0.00%	88	0.89	86	1.28	86	0.00%	1
Diversified Fixed	18.20%	4.26%	42	3.33%	67	1.35%	47	1.27	64	1.79	62	1.05%	24
Barclays Aggregate	--	2.43%	72	2.67%	49	0.00%	88	0.89	86	1.28	86	0.00%	1
High Yield Comp	4.10%	10.73%	53	4.60%	24	1.81%	24	2.32	23	4.02	50	1.38%	63
Barclays High Yield	--	11.09%	47	5.63%	69	0.00%	67	1.96	64	3.62	68	0.00%	1
TIPS	2.97%	1.30%	67	5.27%	80	-0.04%	87	0.24	82	0.28	76	0.11%	5
Barclays US TIPS	--	1.34%	57	5.27%	80	0.00%	73	0.25	75	0.29	63	0.00%	1
Global Fixed Income Comp	2.90%	-0.42%	99	4.90%	53	0.10%	98	-0.10	98	-0.16	99	1.94%	12
Citi WGBI	--	-0.51%	99	4.44%	38	0.00%	99	-0.13	99	-0.18	99	0.00%	1
Emerging Market Debt	5.12%	8.40%	37	7.57%	27	1.01%	35	1.10	34	1.58	38	1.21%	7
JP Morgan EMBI Global TR	--	7.69%	48	7.78%	32	0.00%	49	0.98	48	1.49	45	0.00%	1
Total Real Estate	4.83%	14.04%	--	5.70%	--	0.19%	--	2.45	--	1,641.26	--	1.78%	--
NCREIF Property Index	--	11.08%	--	4.42%	--	0.00%	--	2.49	--	1,294.53	--	0.00%	--
Hedge Fund Comp	5.01%	8.68%	33	3.54%	35	3.33%	34	2.43	22	7.33	10	1.12%	1
HFRI Fund of Funds Composite Index	--	5.19%	72	3.26%	26	0.00%	68	1.57	56	3.19	53	0.00%	1
GAA Comp	20.18%	9.62%	43	8.03%	52	0.82%	56	1.19	57	1.69	56	3.14%	35
60% MSCI ACWI (Net)/40% CITI WGBI	--	9.62%	43	8.12%	54	0.00%	64	1.18	58	1.77	53	0.00%	1
Commodities	3.49%	-4.14%	--	11.92%	--	0.60%	--	-0.35	--	-0.56	--	4.09%	--

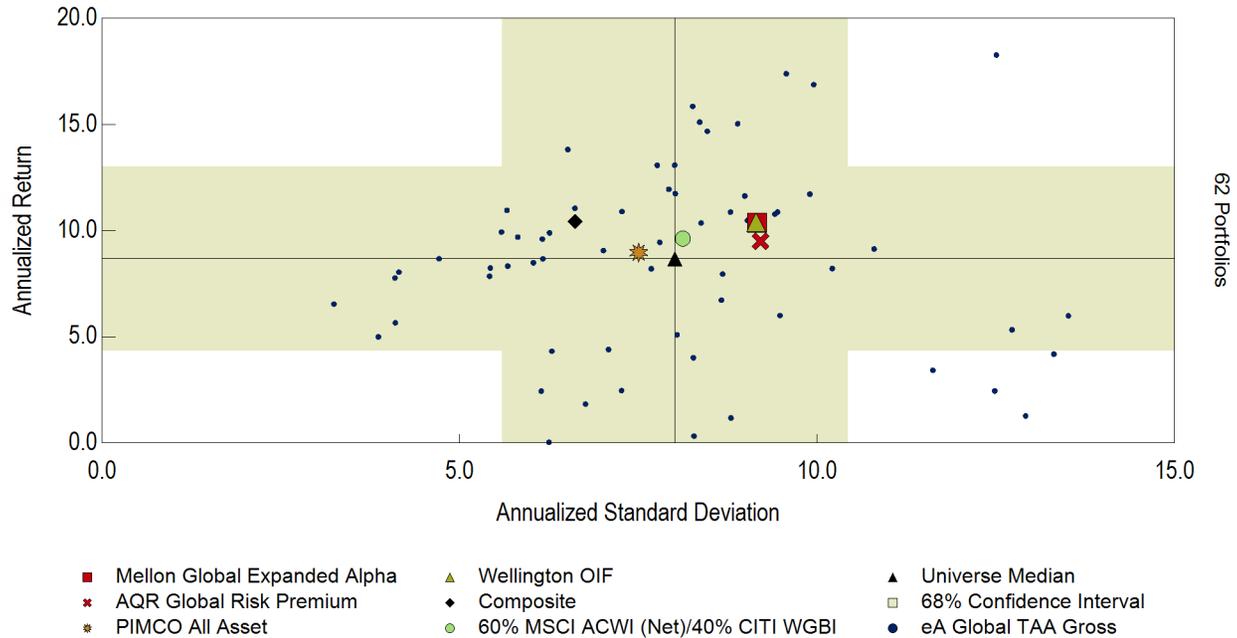
Vermont State Employees

Total Fund Risk Statistics

5 Years Ending September 30, 2014

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank	Tracking Error	Rank
Employees Composite	100.00%	9.25%	59	7.71%	43	1.34%	12	1.19	49	1.89	44	0.90%	22
Policy Index	--	7.63%	95	7.40%	36	0.00%	64	1.02	94	1.65	83	0.00%	1
US Equity	16.97%	--	--	--	--	--	--	--	--	--	--	--	--
Russell 3000	--	15.78%	56	13.79%	30	0.00%	45	1.14	35	1.93	31	0.00%	1
Large Cap Comp	11.33%	16.63%	27	13.85%	52	0.21%	39	1.20	34	1.95	35	1.17%	1
S&P 500	--	15.70%	47	13.20%	30	0.00%	44	1.18	37	1.98	32	0.00%	1
Small/Mid Cap Comp	5.64%	16.42%	48	16.17%	37	3.98%	45	1.01	41	1.82	31	3.08%	1
Russell 2000	--	14.29%	87	18.44%	81	0.00%	93	0.77	90	1.31	87	0.00%	1
Int'l Equity Comp	9.31%	7.64%	71	15.59%	21	1.53%	65	0.49	61	0.71	59	2.26%	12
MSCI EAFE	--	6.56%	87	16.64%	51	0.00%	88	0.39	87	0.58	85	0.00%	1
Emerging Market Comp	6.36%	--	--	--	--	--	--	--	--	--	--	--	--
MSCI Emerging Markets	--	4.42%	75	18.55%	45	0.00%	76	0.23	75	0.34	74	0.00%	1
US Fixed Income	25.26%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays Aggregate	--	4.12%	65	2.83%	49	0.00%	87	1.43	76	2.17	71	0.00%	1
Diversified Fixed	18.20%	5.78%	38	3.39%	65	1.37%	43	1.68	55	2.78	38	1.52%	34
Barclays Aggregate	--	4.12%	65	2.83%	49	0.00%	87	1.43	76	2.17	71	0.00%	1
High Yield Comp	4.10%	10.16%	62	5.08%	18	1.76%	23	1.99	21	2.73	39	1.60%	65
Barclays High Yield	--	10.57%	50	6.30%	66	0.00%	71	1.67	68	2.46	62	0.00%	1
TIPS	2.97%	--	--	--	--	--	--	--	--	--	--	--	--
Barclays US TIPS	--	4.48%	70	5.32%	82	0.00%	84	0.83	87	1.11	69	0.00%	1
Global Fixed Income Comp	2.90%	3.20%	78	5.87%	50	1.76%	79	0.53	77	0.84	67	2.29%	17
Citi WGBI	--	1.58%	96	5.94%	52	0.00%	97	0.25	96	0.32	97	0.00%	1
Emerging Market Debt	5.12%	--	--	--	--	--	--	--	--	--	--	--	--
JP Morgan EMBI Global TR	--	7.95%	55	7.11%	14	0.00%	49	1.11	37	1.53	31	0.00%	1
Total Real Estate	4.83%	--	--	--	--	--	--	--	--	--	--	--	--
NCREIF Property Index	--	10.99%	--	5.11%	--	0.00%	--	2.14	--	9.58	--	0.00%	--
Hedge Fund Comp	5.01%	--	--	--	--	--	--	--	--	--	--	--	--
HFRI Fund of Funds Composite Index	--	3.41%	74	3.99%	27	0.00%	68	0.84	60	1.16	65	0.00%	1
GAA Comp	20.18%	9.28%	22	8.48%	44	3.76%	26	1.09	29	1.55	39	3.68%	31
60% MSCI ACWI (Net)/40% CITI WGBI	--	6.85%	56	9.79%	63	0.00%	76	0.69	64	1.06	64	0.00%	1
Commodities	3.49%	--	--	--	--	--	--	--	--	--	--	--	--

Annualized Return vs. Annualized Standard Deviation
3 Years Ending September 30, 2014

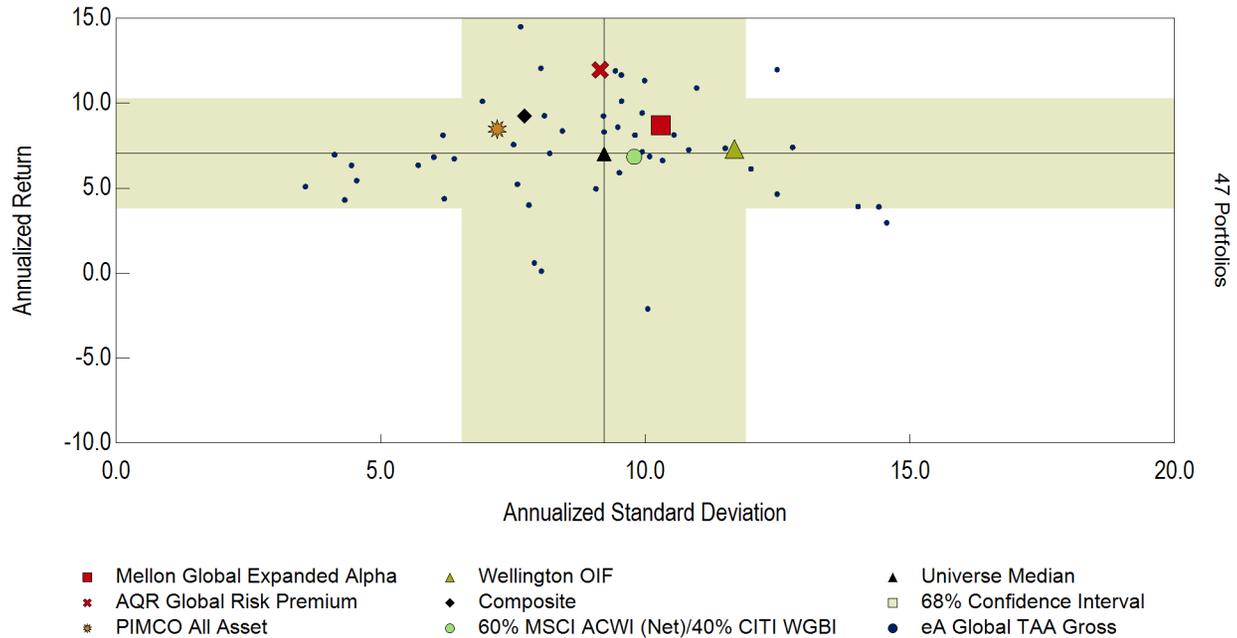


Statistics Summary

3 Years Ending September 30, 2014

	Anlzd Return	Anlzd Standard Deviation
GAA Comp	9.62%	8.03%
Mellon Global Expanded Alpha	10.38%	9.16%
AQR Global Risk Premium	9.50%	9.21%
PIMCO All Asset	8.95%	7.50%
Wellington OIF	10.39%	9.15%
Composite	10.42%	6.61%

Annualized Return vs. Annualized Standard Deviation
5 Years Ending September 30, 2014



Statistics Summary

5 Years Ending September 30, 2014

	Anlzd Return	Anlzd Standard Deviation
GAA Comp	9.28%	8.48%
Mellon Global Expanded Alpha	8.69%	10.29%
AQR Global Risk Premium	11.97%	9.15%
PIMCO All Asset	8.47%	7.20%
Wellington OIF	7.30%	11.68%
Composite	9.25%	7.71%