

Plan Assets

Cash: Highly liquid, very safe investments that can be easily converted into cash, such as Treasury Bills and money-market funds.

Fixed Income: Securities representing debt obligations and usually having fixed payments and maturities. Different types of fixed income securities include government and corporate bonds, mortgage-backed securities, asset-backed securities, convertible issues, and may also include money-market instruments.

Innovation: Fund that provides the ability to invest in a broad range of assets that fall outside the traditional asset classes or management style of existing asset classes.

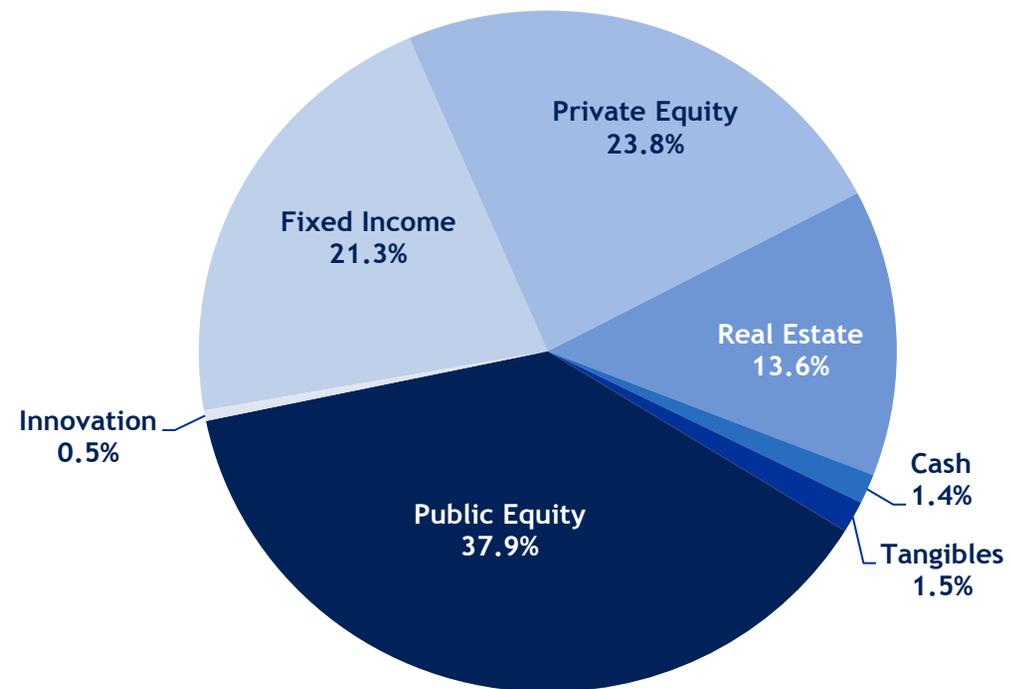
Public Equity: Shares of U.S. and non-U.S. corporations that trade on public exchanges or “over-the-counter.” The ownership of a corporation is represented by shares that are claimed on the corporation’s earnings and assets.

Private Equity: The infusion of equity capital into a private company (one that is not available on the public markets). Private equity investments include securities that are not listed on a public exchange and are not easily accessible to most individuals. These investments range from initial capital in start-up enterprises to leveraged buyouts of mature corporations.

Real Estate: An externally-managed selection of partnership investments with the majority of the partnerships invested in high-quality real estate leased to third parties.

Tangibles: The tangible asset portfolio invests in sectors such as infrastructure, timber, agriculture, natural resources, commodities, or other sectors consistent with the goals of the asset class.

Retirement Commingled Trust Fund (CTF) Asset Allocation



Change in Market Value of Assets						
(Dollars in Millions)	PERS			TRS		
	Plan 1	Plan 2/3*		Plan 1	Plan 2/3*	
	Fund 631	Fund 641	Total	Fund 632	Fund 642	Total
2012 Market Value	\$7,374	\$20,678	\$28,052	\$6,189	\$7,087	\$13,276
Revenue						
Contributions						
Employee	21	316	337	11	34	46
Employer/State	266	389	655	119	229	348
Total Contributions	288	705	992	130	263	393
Investment Return	863	2,556	3,419	721	878	1,598
Restorations	8	20	28	5	1	6
Transfers In	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total Revenue	\$1,159	\$3,281	\$4,440	\$855	\$1,142	\$1,998
Disbursements						
Monthly Benefits**	\$1,181	\$460	\$1,641	\$915	\$117	\$1,031
Refunds	4	36	40	2	3	5
Total Benefits	1,185	496	1,681	917	120	1,036
Transfers Out	0	4	4	0	0	0
Expenses	1	1	1	1	0	1
Total Disbursements	\$1,186	\$500	\$1,686	\$917	\$120	\$1,037
Payables	\$0	\$0	\$0	\$0	\$0	\$0
2013 Market Value	\$7,347	\$23,459	\$30,806	\$6,127	\$8,109	\$14,237
2013 Actuarial Value	\$8,053	\$24,335	\$32,388	\$6,717	\$8,406	\$15,123
Ratio (AV/MV)	110%	104%	105%	110%	104%	106%

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

**TRS Plan 1 value includes annuity cashouts.

Change in Market Value of Assets (Continued)							
(Dollars in Millions)	SERS	PSERS	LEOFF		WSPRS	Total	
	Plan 2/3*	Plan 2	Plan 1	Plan 2			
	Fund 633	Fund 635	Fund 819	Fund 829	Total	Fund 615	
2012 Market Value	\$2,827	\$174	\$4,903	\$6,640	\$11,544	\$879	\$56,753
Revenue							
Contributions							
Employee	26	16	0	136	136	5	566
Employer/State	78	16	1	137	137	6	1,241
Total Contributions	104	31	1	272	273	12	1,807
Investment Return	349	22	586	825	1,412	107	6,907
Restorations	1	0	1	8	9	1	45
Transfers In	0	0	0	2	2	1	3
Miscellaneous	0	0	0	0	0	0	0
Total Revenue	\$454	\$54	\$588	\$1,107	\$1,696	\$120	\$8,762
Disbursements							
Monthly Benefits	66	0	352	101	452	44	3,235
Refunds	3	2	0	9	9	0	58
Total Benefits	69	2	352	109	461	44	3,294
Transfers Out	0	0	0	0	0	0	4
Expenses	0	0	0	1	1	0	4
Total Disbursements	\$69	\$2	\$352	\$110	\$462	\$44	\$3,302
Payables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2013 Market Value	\$3,212	\$226	\$5,140	\$7,637	\$12,777	\$956	\$62,213
2013 Actuarial Value	\$3,335	\$224	\$5,516	\$7,862	\$13,379	\$1,009	\$65,458
Ratio (AV/MV)	104%	99%	107%	103%	105%	106%	105%

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

Calculation of Actuarial Value of Assets								
<i>(Dollars in Millions)</i>			PERS 1	PERS 2/3*	TRS 1	TRS 2/3*	SERS 2/3*	
a.	Market Value at 6/30/2013		\$7,347	\$23,459	\$6,127	\$8,109	\$3,212	
b.	Deferred Gains and (Losses)							
	Plan Year Ending	Years Deferred	Years Remaining					
	6/30/2013	5	4	\$252	\$735	\$210	\$253	\$101
	6/30/2012	7	5	(375)	(935)	(315)	(318)	(128)
	6/30/2011	8	5	597	1,350	501	458	184
	6/30/2010	6	2	138	243	113	82	33
	6/30/2009	8	3	(1,198)	(2,057)	(1,000)	(700)	(284)
	6/30/2008	8	2	(253)	(410)	(212)	(141)	(58)
	9/30/2007	8	1	133	198	113	70	28
	Total Deferral			(\$706)	(\$876)	(\$590)	(\$297)	(\$123)
c.	Market Value less Deferral (a-b)			\$8,053	\$24,335	\$6,717	\$8,406	\$3,335
d.	70% of Market Value of Assets			\$5,143	\$16,421	\$4,289	\$5,676	\$2,248
e.	130% of Market Value of Assets			\$9,551	\$30,497	\$7,966	\$10,542	\$4,175
f.	Actuarial Value of Assets**			\$8,053	\$24,335	\$6,717	\$8,406	\$3,335

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

**Actuarial Value of Assets can never be less than 70% or greater than 130% of the market value of assets.

Calculation of Actuarial Value of Assets							
<i>(Continued)</i>							
<i>(Dollars in Millions)</i>		PSERS 2	LEOFF 1	LEOFF 2	WSPRS	Total	
a.	Market Value at 6/30/2013	\$226	\$5,140	\$7,637	\$956	\$62,213	
b.	Deferred Gains and (Losses)						
Plan Year Ending	Years Deferred	Years Remaining					
6/30/2013	5	4	\$6	\$170	\$257	\$31	\$2,015
6/30/2012	7	5	(7)	(239)	(278)	(41)	(2,636)
6/30/2011	8	5	8	366	437	62	3,962
6/30/2010	3, 5, 6*	0, 1, 2*	0	78	44	12	744
6/30/2009	8	3	(5)	(683)	(620)	(106)	(6,654)
6/30/2008	8	2	(1)	(143)	(123)	(22)	(1,362)
9/30/2007	8	1	0	74	58	11	686
Total Deferral		\$2	(\$377)	(\$225)	(\$54)	(\$3,245)	
c.	Market Value less Deferral (a-b)	\$224	\$5,516	\$7,862	\$1,009	\$65,458	
d.	70% of Market Value of Assets	\$158	\$3,598	\$5,346	\$669	\$43,549	
e.	130% of Market Value of Assets	\$294	\$6,682	\$9,929	\$1,242	\$80,877	
f.	Actuarial Value of Assets**	\$224	\$5,516	\$7,862	\$1,009	\$65,458	

Note: Totals may not agree due to rounding.

*PSERS Plan 2 = 3 years deferred, 0 years remaining; LEOFF Plan 2 = 5 years deferred, 1 year remaining; all other plans = 6 years deferred, 2 years remaining.

**Actuarial Value of Assets can never be less than 70% or greater than 130% of the market value of assets.

Investment Gains and (Losses) for Prior Year					
(Dollars in Millions)	PERS 1	PERS 2/3*	TRS 1	TRS 2/3*	SERS 2/3*
a. 2012 Market Value (at WSIB)	\$7,378	\$20,630	\$6,194	\$7,055	\$2,812
b. Total Cash Flow	(893)	221	(785)	144	37
c. 2013 Market Value (at WSIB)	7,349	23,411	6,131	8,078	3,199
d. Actual Return (c - b - a)	\$864	\$2,560	\$721	\$880	\$350
e. Weighted Asset Amount	\$6,922	\$20,700	\$5,789	\$7,110	\$2,824
f. Expected Return (7.9% x e)	547	1,635	457	562	223
g. Investment Gain/(Loss) for Prior Year (d - f)	315	919	262	316	126
h. Dollar-Weighted Rate of Return	12.45%	12.34%	12.43%	12.35%	12.36%

Note: Totals may not agree due to rounding.

*Defined Benefit portion only.

Investment Gains and (Losses) for Prior Year					
(Continued)					
(Dollars in Millions)	PSERS 2	LEOFF 1	LEOFF 2	WSPRS	Total
a. 2012 Market Value (at WSIB)	\$172	\$4,903	\$6,620	\$878	\$56,643
b. Total Cash Flow	29	(351)	172	(30)	(1,456)
c. 2013 Market Value (at WSIB)	224	5,139	7,617	955	62,103
d. Actual Return (c - b - a)	\$22	\$587	\$826	\$107	\$6,917
e. Weighted Asset Amount	\$186	\$4,721	\$6,693	\$861	\$55,807
f. Expected Return (7.9% x e)*	15	373	502	68	4,382
g. Investment Gain/(Loss) for Prior Year (d - f)	8	213	322	38	2,519
h. Dollar-Weighted Rate of Return	12.06%	12.41%	12.31%	12.37%	12.37%

Note: Totals may not agree due to rounding.

*The expected return for LEOFF 2 is (7.5% x e).