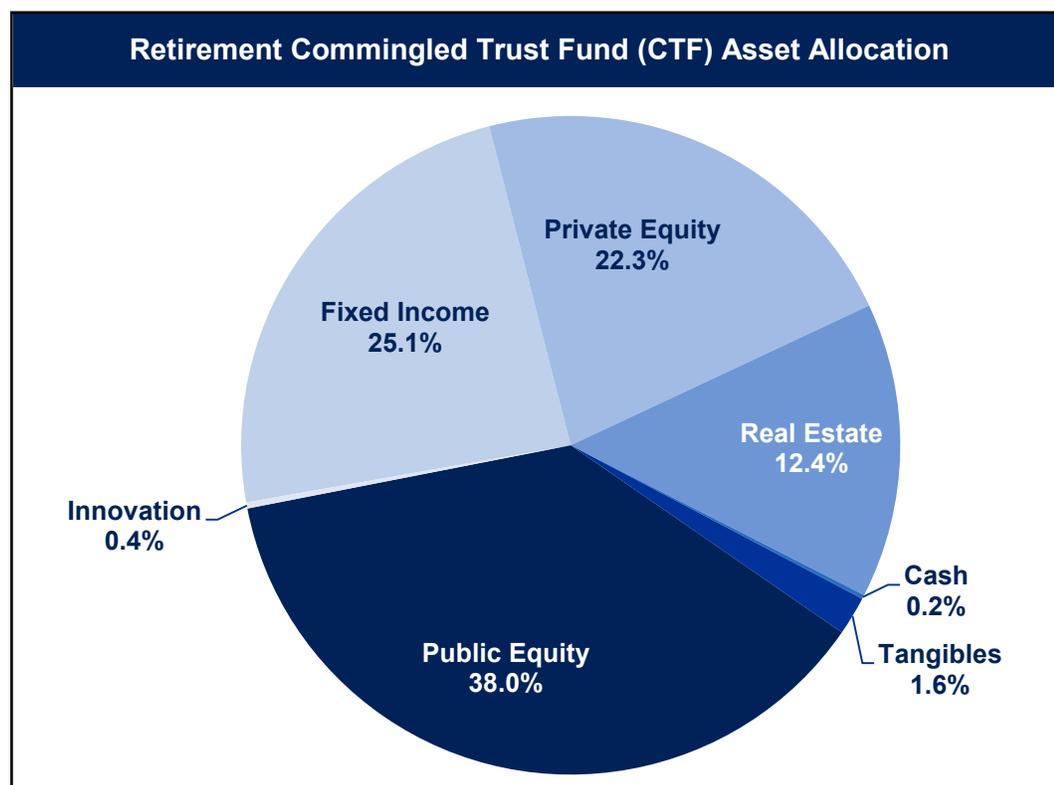


## Plan Assets



**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.

## II. Actuarial Exhibits

<b>Change in Market Value of Assets</b>						
<i>(Dollars in Millions)</i>	<b>PERS</b>			<b>TRS</b>		
	<b>Plan 1</b>	<b>Plan 2/3*</b>		<b>Plan 1</b>	<b>Plan 2/3*</b>	
	<b>Fund 631</b>	<b>Fund 641</b>	<b>Total</b>	<b>Fund 632</b>	<b>Fund 642</b>	<b>Total</b>
<b>2014 Market Value</b>	<b>\$7,942</b>	<b>\$28,099</b>	<b>\$36,040</b>	<b>\$6,494</b>	<b>\$9,790</b>	<b>\$16,285</b>
<b>Revenue</b>						
<b>Contributions</b>						
Employee	16	355	371	7	47	54
Employer/State	462	446	908	224	267	491
<b>Total Contributions</b>	<b>478</b>	<b>801</b>	<b>1,279</b>	<b>231</b>	<b>314</b>	<b>545</b>
Investment Return	336	1,295	1,632	270	454	723
Restorations	6	19	25	3	6	9
Transfers In	0	0	0	0	0	0
Miscellaneous	0	(0)	0	0	0	0
<b>Total Revenue</b>	<b>\$820</b>	<b>\$2,116</b>	<b>\$2,937</b>	<b>\$504</b>	<b>\$773</b>	<b>\$1,277</b>
<b>Disbursements</b>						
Monthly Benefits**	\$1,199	\$665	\$1,864	\$927	\$183	\$1,110
Refunds	4	35	40	2	3	4
<b>Total Benefits</b>	<b>1,203</b>	<b>701</b>	<b>1,904</b>	<b>929</b>	<b>186</b>	<b>1,115</b>
Transfers Out	0	2	2	0	1	1
Expenses	0	1	1	0	0	0
<b>Total Disbursements</b>	<b>\$1,203</b>	<b>\$703</b>	<b>\$1,907</b>	<b>\$929</b>	<b>\$187</b>	<b>\$1,115</b>
<b>Payables</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>2015 Market Value</b>	<b>\$7,558</b>	<b>\$29,512</b>	<b>\$37,070</b>	<b>\$6,070</b>	<b>\$10,377</b>	<b>\$16,447</b>
<b>2015 Actuarial Value</b>	<b>\$7,315</b>	<b>\$28,292</b>	<b>\$35,607</b>	<b>\$5,870</b>	<b>\$9,953</b>	<b>\$15,823</b>
<b>Ratio (AV/MV)</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>	<b>97%</b>	<b>96%</b>	<b>96%</b>

*Note: Totals may not agree due to rounding.*

*\*Defined Benefit portion only.*

*\*\*TRS Plan 1 value includes annuity cashouts.*

<b>Change in Market Value of Assets</b>							
<i>(Continued)</i>							
<i>(Dollars in Millions)</i>	<b>SERS</b>	<b>PSERS</b>		<b>LEOFF</b>		<b>WSPRS</b>	<b>Total</b>
	Plan 2/3*	Plan 2	Plan 1	Plan 2			
	Fund 633	Fund 635	Fund 819	Fund 829	Total	Fund 615	
<b>2014 Market Value</b>	<b>\$3,856</b>	<b>\$303</b>	<b>\$5,719</b>	<b>\$9,251</b>	<b>\$14,970</b>	<b>\$1,098</b>	<b>\$72,553</b>
<b>Revenue</b>							
<b>Contributions</b>							
Employee	35	19	0	147	147	6	631
Employer/State	97	19	0	147	148	7	1,669
<b>Total Contributions</b>	<b>132</b>	<b>37</b>	<b>0</b>	<b>294</b>	<b>294</b>	<b>12</b>	<b>2,301</b>
Investment Return	178	15	249	430	679	49	3,276
Restorations	1	0	1	19	20	1	56
Transfers In	0	0	0	0	0	0	1
Miscellaneous	0	0	0	0	0	0	0
<b>Total Revenue</b>	<b>\$311</b>	<b>\$52</b>	<b>\$250</b>	<b>\$744</b>	<b>\$994</b>	<b>\$62</b>	<b>\$5,633</b>
<b>Disbursements</b>							
Monthly Benefits	96	0	358	151	510	50	3,631
Refunds	3	3	0	9	9	0	59
<b>Total Benefits</b>	<b>99</b>	<b>3</b>	<b>359</b>	<b>160</b>	<b>519</b>	<b>50</b>	<b>3,690</b>
Transfers Out	1	0	0	0	0	0	3
Expenses	0	0	0	2	2	0	3
<b>Total Disbursements</b>	<b>\$100</b>	<b>\$3</b>	<b>\$359</b>	<b>\$162</b>	<b>\$521</b>	<b>\$50</b>	<b>\$3,695</b>
<b>Payables</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>2015 Market Value</b>	<b>\$4,067</b>	<b>\$353</b>	<b>\$5,610</b>	<b>\$9,833</b>	<b>\$15,443</b>	<b>\$1,111</b>	<b>\$74,490</b>
<b>2015 Actuarial Value</b>	<b>\$3,901</b>	<b>\$338</b>	<b>\$5,404</b>	<b>\$9,320</b>	<b>\$14,724</b>	<b>\$1,067</b>	<b>\$71,460</b>
<b>Ratio (AV/MV)</b>	<b>96%</b>	<b>96%</b>	<b>96%</b>	<b>95%</b>	<b>95%</b>	<b>96%</b>	<b>96%</b>

Note: Totals may not agree due to rounding.

\*Defined Benefit portion only.

## II. Actuarial Exhibits

Calculation of Actuarial Value of Assets							
<i>(Dollars in Millions)</i>		PERS 1	PERS 2/3 <sup>1</sup>	TRS 1	TRS 2/3 <sup>1</sup>	SERS 2/3 <sup>1</sup>	
a.	Market Value at 6/30/2015	\$7,558	\$29,512	\$6,070	\$10,377	\$4,067	
b.	Deferred Gains and (Losses)						
Plan Year	Years	Years					
Ending	Deferred	Remaining					
6/30/2015	4	3	(\$191)	(\$669)	(\$157)	(\$232)	(\$91)
6/30/2014	8	6	574	1,958	472	679	268
6/30/2013	5	2	126	368	105	126	50
6/30/2012	7	3	(225)	(561)	(189)	(191)	(77)
6/30/2011	8	3	358	810	300	275	111
6/30/2010	6	0	0	0	0	0	0
6/30/2009	8	1	(399)	(686)	(333)	(233)	(95)
Total Deferral			\$243	\$1,220	\$199	\$424	\$167
c.	Market Value less Deferral (a-b)	\$7,315	\$28,292	\$5,870	\$9,953	\$3,901	
d.	70% of Market Value of Assets	\$5,291	\$20,658	\$4,249	\$7,264	\$2,847	
e.	130% of Market Value of Assets	\$9,826	\$38,366	\$7,890	\$13,490	\$5,287	
f.	<b>Actuarial Value of Assets<sup>2</sup></b>	<b>\$7,315</b>	<b>\$28,292</b>	<b>\$5,870</b>	<b>\$9,953</b>	<b>\$3,901</b>	

Note: Totals may not agree due to rounding.

<sup>1</sup> Defined Benefit portion only.

<sup>2</sup> 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 <sup>1</sup>	WSPRS	Total	
a.	Market Value at 6/30/2015	\$353	\$5,610	\$9,818	\$1,111	\$74,476	
b.	Deferred Gains and (Losses)						
Plan Year	Years	Years					
Ending	Deferred	Remaining					
6/30/2015	4,3 <sup>2</sup>	3,2 <sup>2</sup>	(\$7)	(\$137)	(\$177)	(\$26)	(\$1,687)
6/30/2014	8	6	20	410	658	78	5,117
6/30/2013	5	2	3	85	129	15	1,008
6/30/2012	7	3	(4)	(143)	(167)	(25)	(1,582)
6/30/2011	8	3	5	220	262	37	2,377
6/30/2010	3, 5, 6 <sup>3</sup>	0 <sup>3</sup>	0	0	0	0	0
6/30/2009	8	1	(2)	(228)	(207)	(35)	(2,218)
Total Deferral			\$15	\$207	\$498	\$44	\$3,016
c.	Market Value less Deferral (a-b)	\$338	\$5,404	\$9,320	\$1,067	\$71,460	
d.	70% of Market Value of Assets	\$247	\$3,927	\$6,873	\$777	\$52,133	
e.	130% of Market Value of Assets	\$459	\$7,293	\$12,763	\$1,444	\$96,818	
f.	<b>Actuarial Value of Assets<sup>4</sup></b>	<b>\$338</b>	<b>\$5,404</b>	<b>\$9,320</b>	<b>\$1,067</b>	<b>\$71,460</b>	

Note: Totals may not agree due to rounding

<sup>1</sup> LEOFF Plan 2 Market Value of Assets reduced by a \$15.799 million payable to the LEOFF 2 Benefit Improvement Account due by 6/30/2016, discounted to 6/30/2015 at 7.5% (C 4 L 15).

<sup>2</sup> LEOFF Plan 2 = 3 years deferred, 2 years remaining; all other plans = 4 years deferred, 3 years remaining.

<sup>3</sup> PSERS Plan 2 = 3 years deferred, 0 year remaining; LEOFF Plan 2 = 5 years deferred, 0 years remaining; all other plans = 6 years deferred, 0 years remaining.

<sup>4</sup> 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					
<i>(Dollars in Millions)</i>	PERS 1	PERS 2/3*	TRS 1	TRS 2/3*	SERS 2/3*
a. 2014 Market Value (at WSIB)	\$7,941	\$28,037	\$6,495	\$9,749	\$3,838
b. Total Cash Flow	(721)	117	(695)	134	34
c. 2015 Market Value (at WSIB)	7,558	29,454	6,071	10,339	4,051
d. Actual Return (c - b - a)	\$338	\$1,300	\$271	\$456	\$179
e. Weighted Asset Amount	\$7,587	\$28,101	\$6,147	\$9,816	\$3,855
f. Expected Return (7.8% x e)	592	2,192	479	766	301
g. Investment Gain/(Loss) for Prior Year (d - f)	(254)	(892)	(209)	(309)	(122)
h. Dollar-Weighted Rate of Return	4.45%	4.63%	4.41%	4.65%	4.64%

*Note: Totals may not agree due to rounding.*  
*\*Defined Benefit portion only.*

Investment Gains and (Losses) for Prior Year <i>(Continued)</i>					
<i>(Dollars in Millions)</i>	PSERS 2	LEOFF 1	LEOFF 2	WSPRS	Total
a. 2014 Market Value (at WSIB)	\$301	\$5,718	\$9,226	\$1,098	\$72,400
b. Total Cash Flow	34	(358)	146	(37)	(1,346)
c. 2015 Market Value (at WSIB)	350	5,609	9,804	1,110	74,344
d. Actual Return (c - b - a)	\$15	\$250	\$431	\$49	\$3,289
e. Weighted Asset Amount	\$317	\$5,542	\$9,299	\$1,080	\$71,744
f. Expected Return (7.8% x e)*	25	432	697	84	5,568
g. Investment Gain/(Loss) for Prior Year (d - f)	(10)	(183)	(266)	(35)	(2,279)
h. Dollar-Weighted Rate of Return	4.76%	4.51%	4.64%	4.56%	4.58%

*Note: Totals may not agree due to rounding.*  
*\*The expected return for LEOFF 2 is (7.5% x e).*