



INVESTMENT PERFORMANCE REVIEW

Imperial County Employees' Retirement System

IQ 2014

WURTS  ASSOCIATES

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QUARTERLY RESEARCH REPORT

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REMODELING A HOME

While it may come as a surprise to those who have been following our research for some time, my wife and I recently purchased a home. To avoid any confusion, we did not purchase the home based on a belief that the housing market finally reached a bottom, but rather to give our lives a sense of stability (we have moved 12 times in 12 years). We found a home in a great neighborhood, a convenient location, and one that had “good bones.”

When we purchased the home, we knew we would need to do some remodeling to match the home to the way we live. We hired a contractor and the demolition began. What was uncovered as walls were ripped down and cabinets were removed was, in a word, interesting; support beams completely hacked up, floors nearly completely rotted through, and live electrical wires spackled over. I then realized a general home contractor is not all that different from an investment strategist – you do not really know the hidden issues until someone peels back the walls and punches through the spackle. Let’s take a look at what’s behind the financial and economic walls (spackle).

THE WORLD IS TOO MUCH WITH U.S.

Global economic growth continues to muddle along. At 2.4%, global GDP remains near the average since 1997 of 2.5%, as it has for the past several quarters. It’s not great, and it’s not bad. It’s just average. However, economists’ forecast of 2014 GDP have steadily declined since 2012. Why? Let’s begin by reviewing the contribution to global GDP by country/region. The U.S. contributes 24%, Europe 32%, China 10%, and Japan 8%. Collectively the economies (called Europe region) form 75% of global GDP. We’ll focus our review on these primary economies to gain perspective on whether global growth is expected to continue to muddle along, finally reach “escape velocity,” or decelerate. With the economic landscape in hand, we will discuss the potential implications for the capital markets.

BECOMING AN EXPERT

Early in my career, I had the opportunity to meet with Howard Marks of

Oaktree. During the meeting, one of my colleagues asked Howard how many years it takes to become an expert. Howard responded with, “Twenty-five. Twenty-five years.” I about fell out of my chair! I thought I had learned a few things with my whopping five years of experience and now I needed twenty more? In hindsight, Howard was perhaps being polite as the number might be higher (or perhaps Howard is just plain more intelligent).

To qualify as an expert U.S. economist in Q1 2014, you only needed to know one word, weather. With nearly every economic release, Wall Street economists attributed weather to nearly all variations. In the latest Fed released Beige book, there were 119 mentions of the word weather, only 80 mentions of growth, and just 7 mentions of the word economy. But it’s not just economists and the Fed talking about the weather. The word weather was used in more news stories so far this year than any time since 2009. To be sure, weather was an issue – it was cold, snowy, and miserable. To account for the impact of weather, economists lowered their forecast for each report prior to the release. Despite these lowered expectations, the reports generally still came in below expectations. The Bloomberg Economic Surprise Index, which looks at how each economic report comes in relative to expectations, is now at a 2 ½ year low. As a result, forecasts for 2014 GDP have started to be trimmed lower.

DISRUPTIVE TECHNOLOGY

With a 2.7% 2014 GDP forecast, economists are forecasting a continuation of the current economic environment (i.e., muddling along). We’ve graded the economy as a C/C- in prior QRRs and maintain the same grade today. Not great, but not a recession either. Just average.

What’s driving the economy? The same thing that has been driving it since the 1960s/1970s; consumption. Consumption contributes approximately 70% to GDP – it’s every American’s civil duty to spend, spend, spend, and therefore understanding consumer consumption habits and how they might be changing is critical. The latest figures from traditional brick and mortar retail shopping centers have been terrible. Retail traffic volume is the lowest

OVERVIEW

since 2009. Yet, GDP is far better today than in 2009. Why? Consumers are not buying less stuff, they're simply changing how they consume by moving away from traditional retail to online shopping. The monthly release of the established retail sales report fails to account for these changing consumption preferences. "Window shopping" has changed from walking down Main St. or through the mall to surfing the internet.

THE DOUBLE EDGED SWORD

Changing consumption habits have not been limited to retail shopping. Tesla has been trying to bypass traditional dealerships and sell directly to consumers. Uber is revolutionizing the taxi business. Even investors buying bonds have shifted from traditional brokers to purchasing directly from the Treasury online. These shifting consumption habits are wonderful, but carry the negative consequence of decreasing labor demand. What takes tens of thousands brick & mortar employees to accomplish can be done with only a few thousand online employees. These shifting consumption habits lower the cost of goods to the consumer (disinflationary) and lower labor demand (also disinflationary). The result can be seen in the continued downtrend in CPI (despite \$4 trillion in Fed stimulus). Of course, inflation can be pushed higher by factors other than wages – most importantly through credit expansion and increases in the velocity of money. Since 2009, consumer credit has improved; led by credit cards. However, mortgage credit growth, despite improvement, remains slightly negative. As a result, total household debt growth remains flat. The velocity of money continues to contract and combined with the lack of wage pressure, inflation continues to trend lower. To offset these disinflationary forces, the Fed balance sheet expands further.

QUANTITATIVE OR QUALITATIVE

The record expansion of the Fed balance under QE has been managed under 2 primary guidelines: 1) 6.5% unemployment rate; and 2) 2.5% inflation. Provided inflation was below 2.5%, the Fed was going to continue QE until the unemployment rate reached 6.5%. We have commented over the years how tying an economic outcome to Fed policy was not only very unusual, but likely to fail. Not surprisingly, as the unemployment approached 6.5% for

all the wrong reasons (lower participation rate), the Fed began backtracking. The Fed ended these quantitative guidelines at the March 19th meeting and shifted to qualitative guidance. What does that mean? Make it up as you go along.

To provide further guidance, the Fed updated their "Dot Chart" that forecasts the members' rate expectations. Upon the release, the market reacted negatively as the Dot Chart suggested the Fed had shifted to being slightly more hawkish (expecting higher rates in the future). Over the past several years, the Fed consistently forecasted higher rates 18 months forward. Did the updated Dot Chart present any new hawkish information? No, this has been standard operating procedure for the Fed. Does the Dot Chart suggest we should expect rate hikes in 2015/2016? Yes, but in the 2012 release it said we should expect hikes in 2014. Anyone think the Fed is going to raise the funds rate this year?

MISMANAGED EXPECTATIONS

One objective of Fed QE was to push stock prices higher. Mission accomplished. With higher equities, the Fed believed they would create a wealth effect, leading to increased consumption and economic growth. Mission not accomplished.

As discussed in the prior QRR, the S&P 500 advanced 32% in 2013, while earnings increased 5%. The result was a historic expansion in P/E. To justify the P/E expansion, Wall Street analysts work backwards to figure out what earnings estimates need to be in order to keep the forward P/E in the fair range. For Q1 2014, Wall Street analysts forecasted earnings as high as 11%, excluding financials, and 9% with financials. The final Q1 estimate is just 2%! Corporate executives see these rather optimistic earnings expectations and have no choice but to guide them lower. Furthermore, the earnings error rate, which compares the actual operating earnings relative to the 12-month forward earnings shifted 12 months forward, has been negative since 2011 and is currently at levels usually associated with recessions.

DROP THE CHALUPA – I’M FULL(Y VALUED)

Based upon Wall Street’s favorite equity valuation metric, the P/E ratio, the market is fully valued. Going all the way back to 1871, the average Shiller P/E ratio is 16.5. Today the ratio sits at 25.4, which is approaching the high of 2007. We are nowhere near the heights of the 2000 Tech bubble, but the valuations are heady to be sure.

Looking at valuations from a Price/Sales ratio, we see a similar picture – very full valuations that are well above the average. While the data is more limited on Price/EBITDA, the message is broadly consistent in that the equity market appears to be fully valued.

To support these valuations, we need growth; self-sustaining economic growth in the form of corporate revenue and earnings growth. Can valuations continue to move higher without these? Of course, they did in 2000, but to be sustained over time, continued equity gains must have underlying fundamental support.

EUROPE: NOT A PROBLEM, UNTIL IT’S A PROBLEM

The economic recovery in Europe continues, albeit slowly, with the most recent GDP of 0.5% showing positive growth for the first time since 2011. Despite the improvement in GDP, concerns linger. The unemployment rate remains stubbornly high and inflation continues to trend lower. At 0.5%, CPI is dangerously close to slipping into deflation. The ECB has responded by doing exactly nothing. We have argued the ECB will not be forced into action until the **market** weakens (equities lower by 10-15%) and not by economic concerns (e.g., higher unemployment or lower inflation).

A new concern that emerged over the quarter is Russia/Ukraine. As 34% of Europe’s total natural gas imports come from Russia, and as tension rise, threats of reduced supply become viable. As we go to press, the issue remains unresolved and may continue to provide headlines in the near future.

BIG TROUBLE LITTLE CHINA

The last time U.S. GDP was 7% was 1984. Since then, U.S. GDP peaked out at 5% in the 1990s, and 3% in the 2000s. So when we say China’s GDP is slowing to 7%, it doesn’t seem all that bad.

But China has a very unique situation. In the U.S., there are nine cities with one million or more in population, and in Western Europe there are ten. There are over 150 in China. After Beijing and Shanghai, I challenge you to name three more. Further, 50% of those cities didn’t even exist 25 years ago, with nearly 25 million people migrating from rural areas to the cities each year. To avoid civil unrest, the economy must experience strong growth at above 7%. Below 7% would be a hard landing, or said differently, below 7% would be similar to the U.S. GDP being below 0%.

Comparing the Japanese stock market (Nikkei) from the peak on December 29, 1989, to the Chinese stock market (Shanghai Composite) from the peak on October 19, 2007, we can see the Shanghai Composite performed **worse** than the Nikkei. If you ask an investment professional for an example of a burst bubble, the Nikkei is likely to come up. The Chinese stock market collapse has been worse.

JAPAN: HOW IS THE EXPERIMENT GOING?

The Great QE Experience is just over a year old. So how’s it going? Inflation is higher and GDP is growing nicely at 2.6%. QE defenders are pointing to these figures as evidence of QE success. No doubt these have improved. However, inflation has moved higher due to higher fuel prices – a rather direct result of the Fukushima disaster. Inflation is not being led higher by the more important housing market.

Ok, but GDP is improving nicely. True, but is it self-sustaining? 2014 GDP forecasts are not 3%, or even 2%, they are 1.4%. Economic forecasts are not sometimes wrong, they are nearly always wrong. So it is not the actual number to focus on, but the fact most economists expect a significant deceleration in GDP.

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How have the markets reacted? The Nikkei lost a bit of ground while rates remain near the lows. It appears the rate market priced in the slowing, but equities have not, yet.

CONCLUSION & OUTLOOK

Never has average felt so good, at least for equity investors. In contrast to equity markets reaching new highs, world economic growth continues to just muddle along – not great or terrible, but simply average. While Wall Street attributes most of the economic slowing in Q1 to weather, one of the most disappointing reports was retail sales, with both the growth in sales as well as the number of people visiting traditional brick and mortar stores declining significantly. Taken on its own, the report is concerning. However, this and many other established economic reports are not picking up on changing consumption preferences. It's not that consumers are spending less money, they simply prefer to shop online rather than in traditional brick and mortar stores. This disruptive technology enables consumers to find the goods they seek at a lower price (disinflationary); however, the number of employees required to staff an online company is dramatically lower than traditional brick and mortar (disinflationary). These disinflationary forces can be seen with the continued downtrend in CPI despite the more than \$4 trillion in Fed QE stimulus.

The Fed QE program has been guided by two parameters: 6.5% unemployment and 2.5% inflation. Provided inflation remained below 2.5%, the Fed would continue to engage in QE until the unemployment rate hit 6.5%. As the unemployment rate approached 6.5% for all the wrong reasons (lower participation rate), the Fed began backtracking on these guidelines. During Q1, the Fed removed the quantitative guidelines in favor of qualitative guidelines. One objective of QE was to push stocks higher in the hopes of creating a wealth effect that would lead to improved economic

growth. Equities have certainly pushed higher, but earnings have not been able to keep up (reflecting the muddling along growth).

Despite the muddling economic growth and full valuations of equities, we continue to maintain long-term strategic allocations to equities. While U.S. valuations are rich, EAFE valuations are fair, and emerging markets are cheap. Given the concern of slower growth in Europe (and lingering concerns about Ukraine), perhaps the cheaper valuation is appropriate. Similarly, emerging market growth has been disappointing and there remain concerns over growth in China. For long-term investors, rebalancing is a prudent way to handle this challenge. Within emerging markets, we advocate for active management in order to effectively navigate the structural differences within and between the various countries.

Within the bond markets, global interest rates remain historically low and recent moves toward lower yields moved valuations from cheap to neutral, with the exception of emerging markets where valuations remain cheap. The credit spread market has seen little movement, with valuations remaining historically rich where rebalancing and going up in credit quality may be prudent.

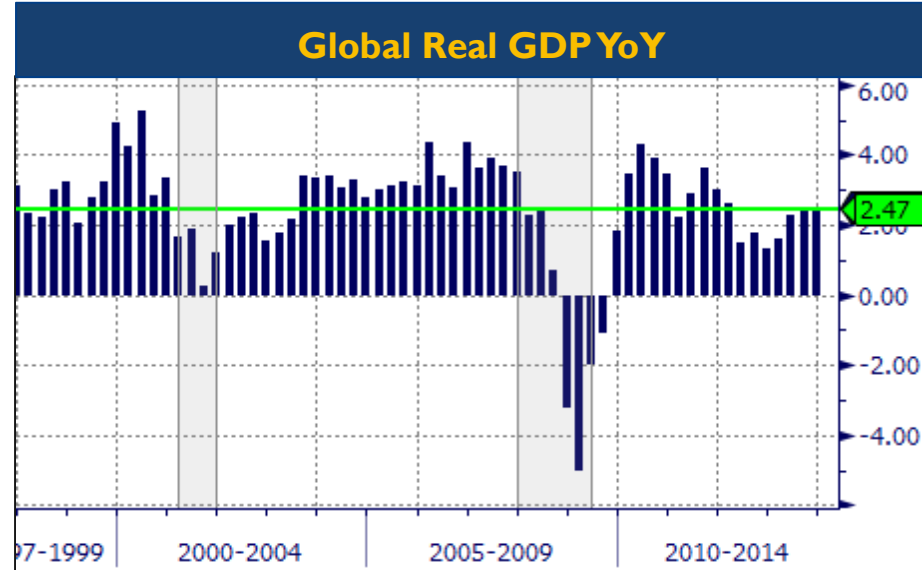
With inflation not likely to rear its head given the mix of disinflationary and inflationary pressures, TIPS don't pose much value to portfolios as they are currently trading at rich prices. Commodities may be an interesting consideration with relatively good performance coming from some parts of the marketplace.

- **Costs Ate My Alpha** – **Ian Toner, CFA Director of Strategic Research** – *March 2014* – recently released this Topic of Interest paper to address recent news relating to hidden portfolio costs and scandals in transition management.
- **2014 Real Estate Outlook** – *March 2014* – Investors should maintain a strategic exposure to core real estate, which remains an attractive part of a total portfolio. Non-core real estate currently presents stronger opportunities for value-add, but these peripheral properties represent an implicit bet on the economy, since this space will be highly sensitive to economic trends.
- **Emerging Market Assets in Volatile Times** – *March 2014* – The first two months of 2014 were difficult for emerging market investors, with asset markets dropping, currency weakness, and capital outflows. These moves have been caused by a number of factors, (changes in Federal Reserve policy, relative risk differentials in publicly traded assets, and the activities of fast-money tactical investors, for example) few of which reflect true strategic challenges to the case for emerging market investment.
- **Opportunities in the Emerging Markets** – *March 2014* – Investment opportunities in the Emerging Markets have been a hot topic lately. Wurts & Associates released three research pieces detailing our views on Emerging Market equities.
- **2014 Capital Market Assumptions** – *March 2014* – Wurts & Associates' 10-year capital market assumptions.

GLOBAL ECONOMIC & MARKET OUTLOOKS

THE WORLD IS TOO MUCH WITH US

- Global economic growth continues to muddle along. At 2.4%, global GDP remains near the average of 2.5%, as it has for the past several quarters. It's not great, and it's not bad; it's simply average.
- Economists' forecast of 2014 GDP has steadily declined since 2012. The U.S. contributes 24%, Europe 32%, China 10%, and Japan 8%. Collectively these economies (called Euroregion) form 75% of global GDP.
- We'll focus our review on these primary economies to gain perspective if global growth is expected to continue to muddle along, finally reach "escape velocity," or decelerate.
- With the economic landscape in hand, we'll discuss the potential implications for the capital markets.



Source: Bloomberg, Wurts

Bloomberg Median 2014 Global GDP Forecast



Source: Bloomberg, Wurts

Global GDP Breakdown (Trillions of Dollars)

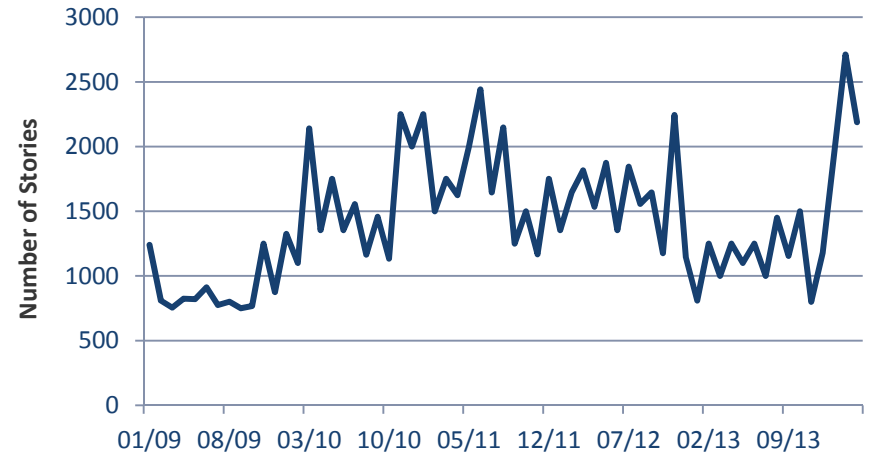
Area	Current Dollar GDP (USD)	Percent of World GDP
United States	\$ 16.73	24%
Europe	\$ 22.46	32%
China	\$ 7.32	10%
Japan	\$ 5.87	8%
All Others	\$ 17.64	25%
Total Global GDP	\$ 70.02	100%

Source: Bloomberg, Wurts

BECOMING AN EXPERT

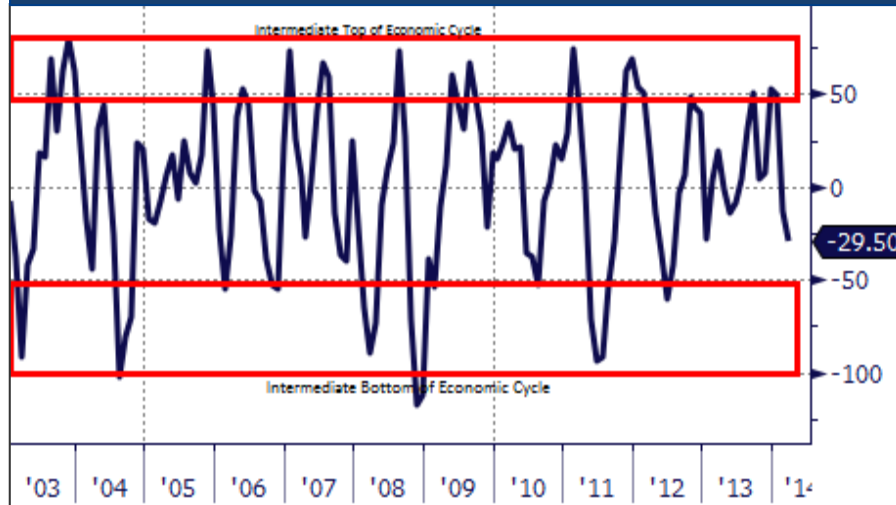
- To be an expert U.S. economist in Q1 2014, you only needed to know one word: weather. With nearly every economic release, Wall Street economists attributed weather to most variations.
- In the latest Fed released Beige book, there were 119 mentions of the word weather, only 80 mentions of growth, and just 7 mentions of the word economy.
- But it's not just the economists and the Fed talking about weather. The word weather was used in more news stories so far this year than any time since 2009. To be sure, weather was an issue – it was cold, snowy, and miserable. To account for the impact of weather, economists lowered their forecasts prior to each release.
- Despite lowered expectations, economic releases still came in below expectations and is now at a 2 ½ year low. As a result, forecasts for 2014 GDP have started to be trimmed.

News Stories Containing the Word "Weather"



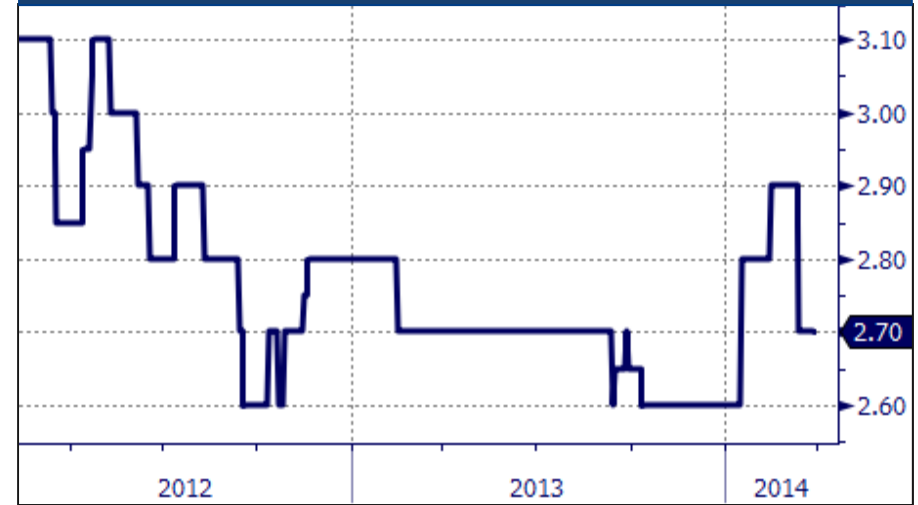
Source: Google, Wurts

Wall St. Economists' Economic Surprise Index



Source: Citigroup, Bloomberg, Wurts

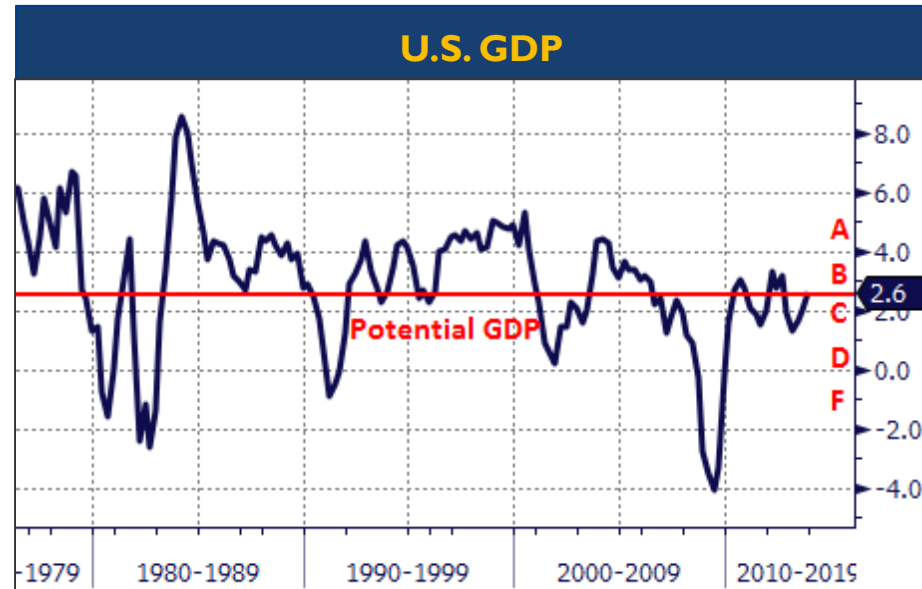
U.S. Real 2014 GDP Forecast



Source: Bloomberg, Wurts

DISRUPTIVE TECHNOLOGY

- With a 2.7% 2014 GDP forecast, economists are forecasting a continuation of the current economic environment (i.e., muddling along). We gave the economy as a C/C- grade in prior QRRs and we maintain the same grade today.
- Consumption is by far the leading driver of U.S. GDP growth as it contributes nearly 70%. Thus, understanding consumer consumption habits and how they might be changing is critical.
- The latest figures from traditional brick and mortar retail shopping centers have been terrible. Retail traffic volume is the lowest since 2009. Yet, GDP is far better today than in 2009. Why?
- Consumers are not buying less stuff, they're simply changing how they consume by moving away from traditional retail to online shopping. The monthly release of the retail sales report fails to account for these changing preferences.



Source: BEA, Bloomberg, Wurts

Retail Traffic Index (Lowest Since 2009)



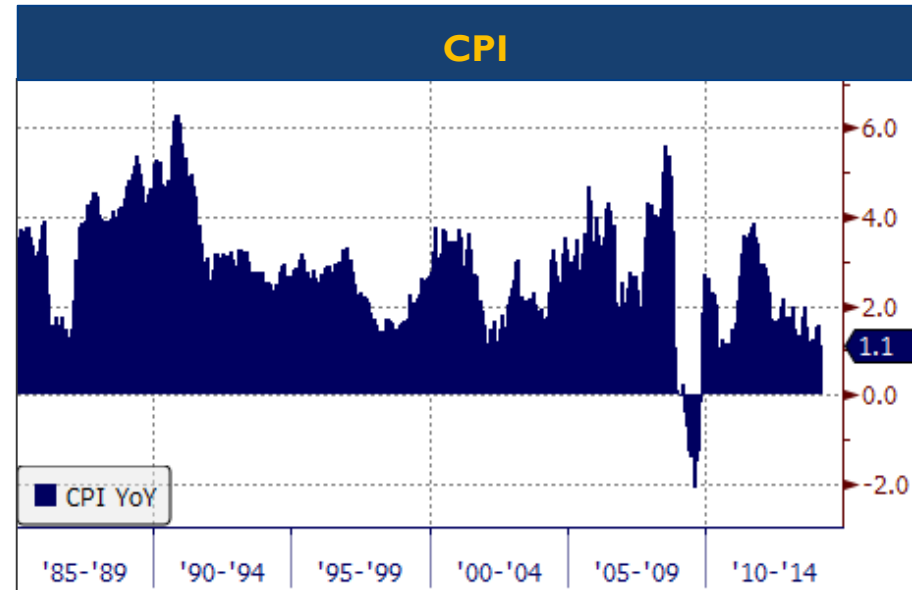
Source: ShopperTrak, Bloomberg, Wurts



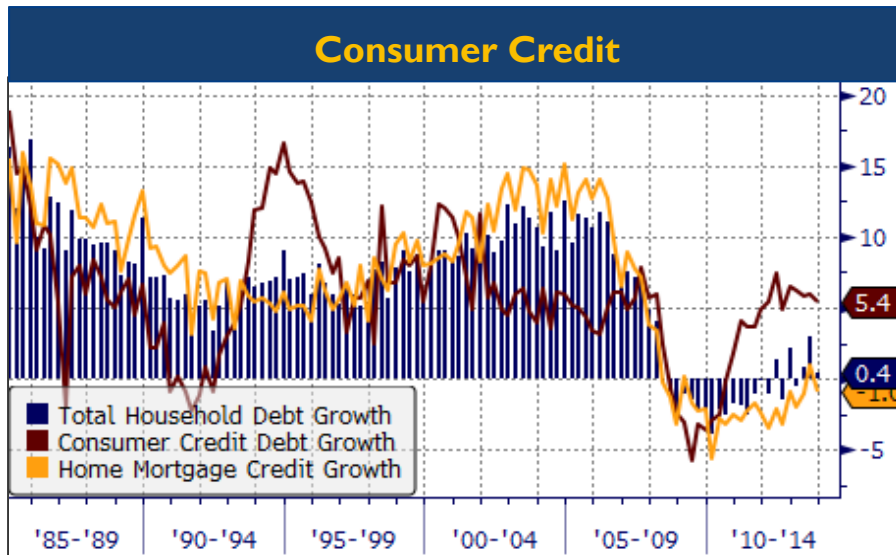
Source: www.marketoonist.com

THE DOUBLE-EDGED SWORD

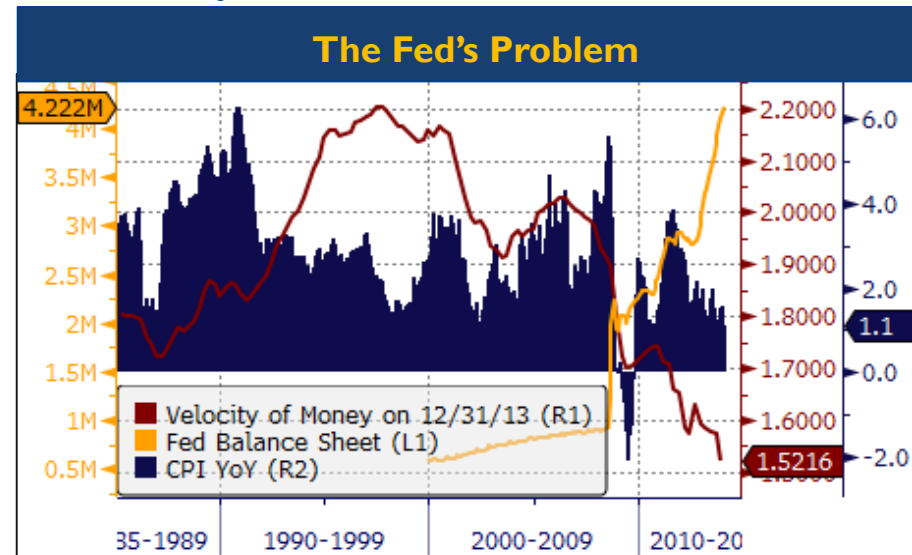
- Changing consumption habits have not been limited to retail shopping. Tesla has been trying to bypass traditional dealerships and sell directly to consumers.
- These shifting consumption habits are wonderful, but carry a negative consequence in less labor demand. What takes tens of thousands of brick & mortar employees can be accomplished with only a few thousand online employees.
- Shifting consumption habits have lowered the cost of goods to the consumer (disinflationary) and lower labor demand (also disinflationary). The result can be seen in the continued downtrend in CPI (despite \$4 trillion in Fed stimulus).
- The other driver of inflation (consumer credit) has improved since 2009 (led by credit cards). However, total household debt growth remains flat. To offset the continued contraction in the velocity of money, the Fed balance sheet expands further.



Source: BLS, Bloomberg, Wurts



Source: Federal Reserve, Bloomberg, Wurts

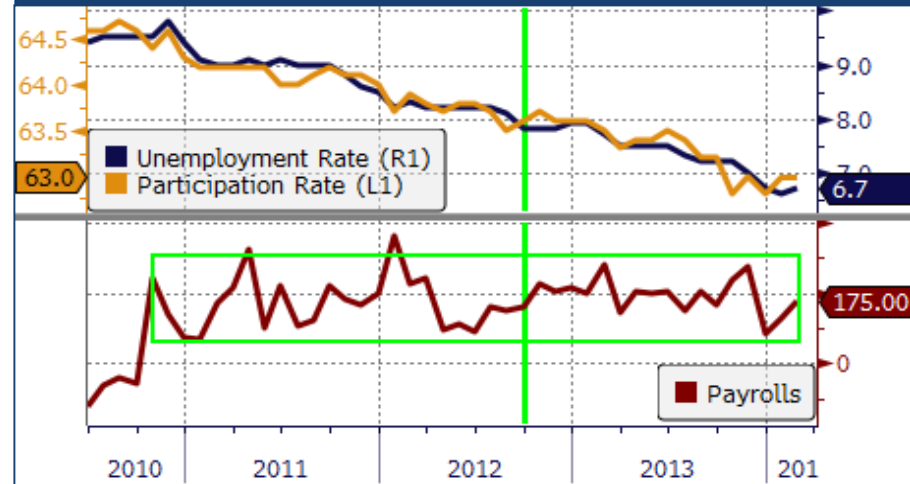


Source: Federal Reserve, BLS, Bloomberg, Wurts

QUANTITATIVE OR QUALITATIVE

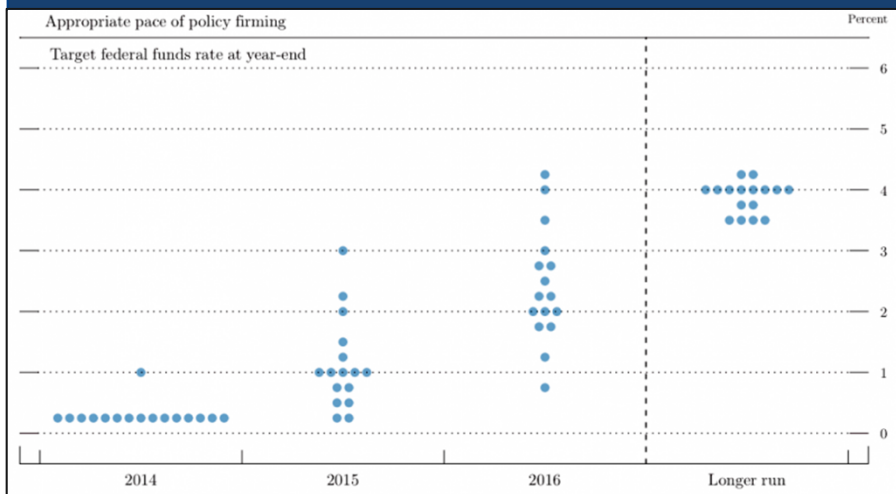
- The record expansion of the Fed balance under QE has been managed under 2 primary guidelines: 1) 6.5% unemployment rate; and 2) 2.5% inflation. Provided inflation was below 2.5%, the Fed was going to continue QE until the unemployment rate reached 6.5%.
- We have commented over the years how tying an economic outcome to Fed policy was not only very unusual, but likely to fail. Not surprisingly, as the unemployment approached 6.5% for all the wrong reasons (lower participation rate), the Fed began backtracking. The Fed ended these quantitative guidelines at the March 19th meeting and shifted to qualitative guidance. What does that mean? Make it up as you go along.
- Also at the March 19th meeting, the Fed provided their “Dot Chart” forecasting their members’ rate expectations – which shifted toward expecting higher rates in 2015/2016.

QE Guideline #1: 6.5% Unemployment



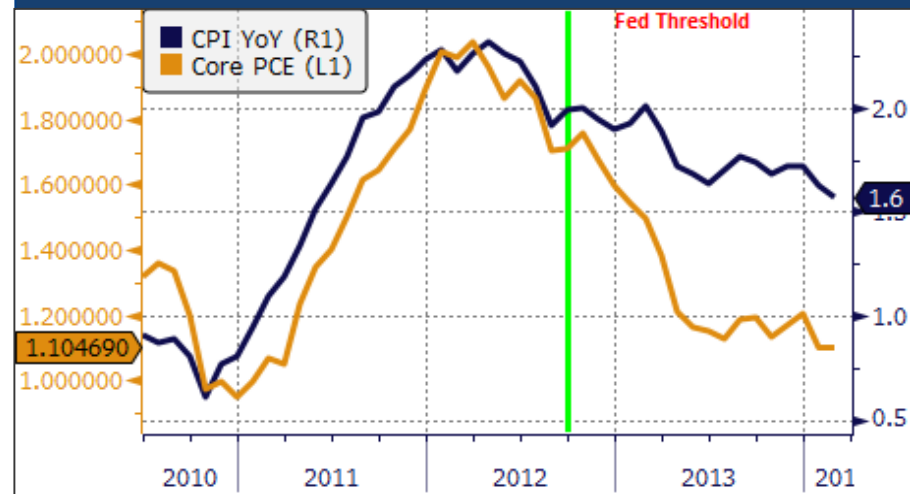
Sources: BLS, Federal Reserve, Bloomberg, Wurts

Fed's Dot Chart



Sources: Federal Reserve

QE Guideline #2: 2.5% Inflation

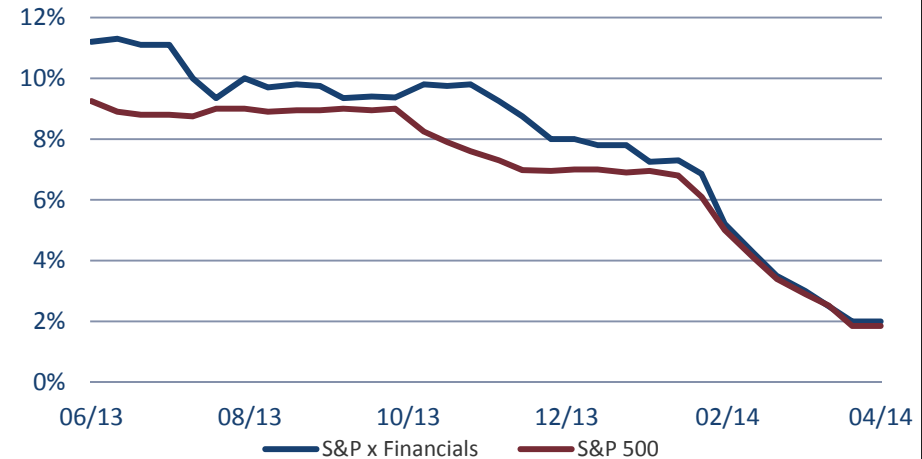


Sources: BLS, Federal Reserve, Bloomberg, Wurts

MISMANAGED EXPECTATIONS

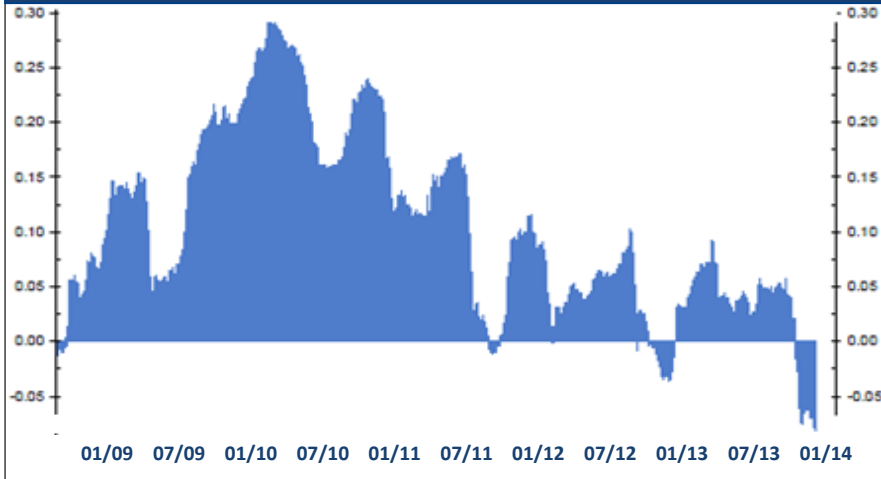
- One objective of Fed QE was to push stock prices higher. Mission accomplished. With higher equities, the Fed believed they would create a wealth effect, leading to increased consumption and economic growth. Mission not accomplished.
- As discussed in the prior QRR, the S&P 500 advanced 32% in 2013 while earnings increased 5%. The result was a historic expansion in P/E. To justify the P/E, Wall Street analysts work backwards to figure out what earnings estimates need to be keep the forward P/E in the fair range. For Q1 2014, Wall Street analysts forecasted earnings as high as 11% excluding financials, and 9% with financials. The final Q1 estimate is just 2%!
- Companies see Wall Street analysts' overly optimistic earnings expectations and have no choice but to guide lower. The earnings error rate has been negative since 2011 and is currently at levels usually associated with recessions.

Q1 2014 S&P 500 Earnings Expectations



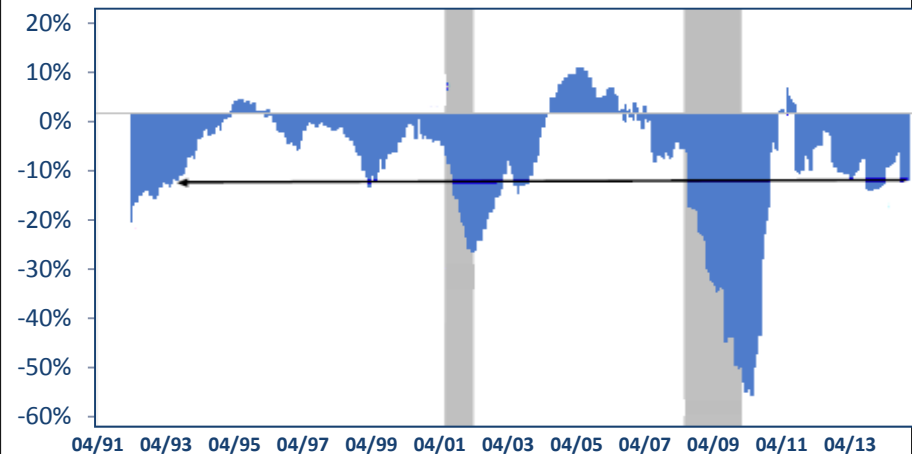
Source: S&P, Bloomberg, Wurts

3 Month Company Guidance Index



Source: Bloomberg, Wurts

Earnings Error Rate

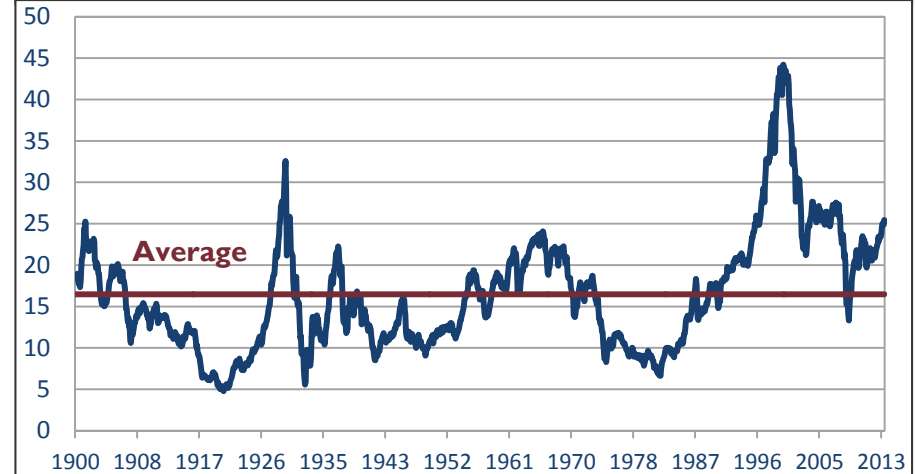


Source: Bloomberg, Wurts

DROP THE CHALUPA – I'M FULL(Y VALUED)

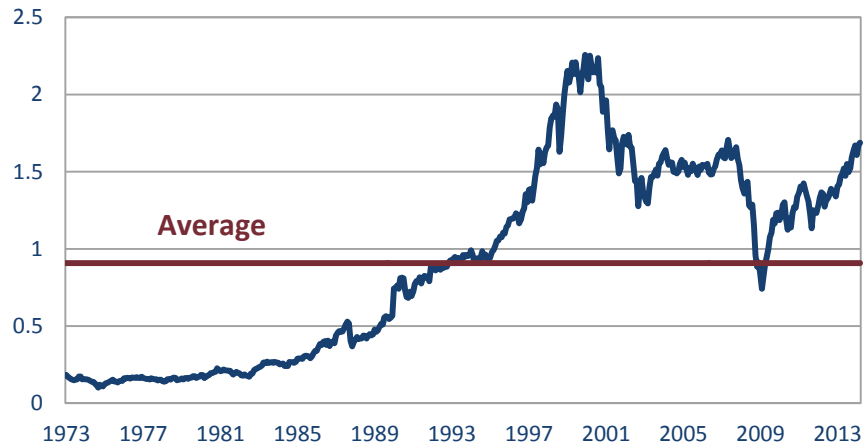
- According to Wall Street's favorite equity valuation metric (P/E ratio), the market is fully valued. Going all the way back to 1871, the average Shiller P/E ratio is 16.5. Today the ratio sits 25.4, approaching the high of 2007. We are nowhere near the heights of the 2000 Tech bubble, but heady valuations to be sure.
- Looking at valuations from a Price/Sales ratio, we see a similar picture – very full valuations, well above the average.
- While the data is more limited on Price/EBITDA, the message is broadly consistent, the equity market appears to be fully valued.
- To support these valuations, we need growth. Self-sustaining economic growth. Corporate revenue and earnings growth. Can valuations continue to move higher without these? Of course, they did in 2000. But to be sustained over time, continued equity gains must have underlying fundamental support.

S&P 500 Shiller P/E



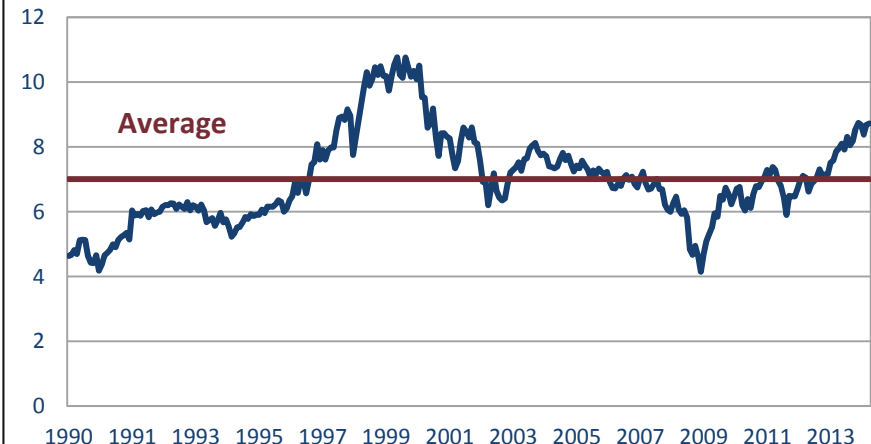
Source: www.irrationalexuberance.com, Wurts

S&P 500 Price/Sales



Source: Bloomberg, Wurts

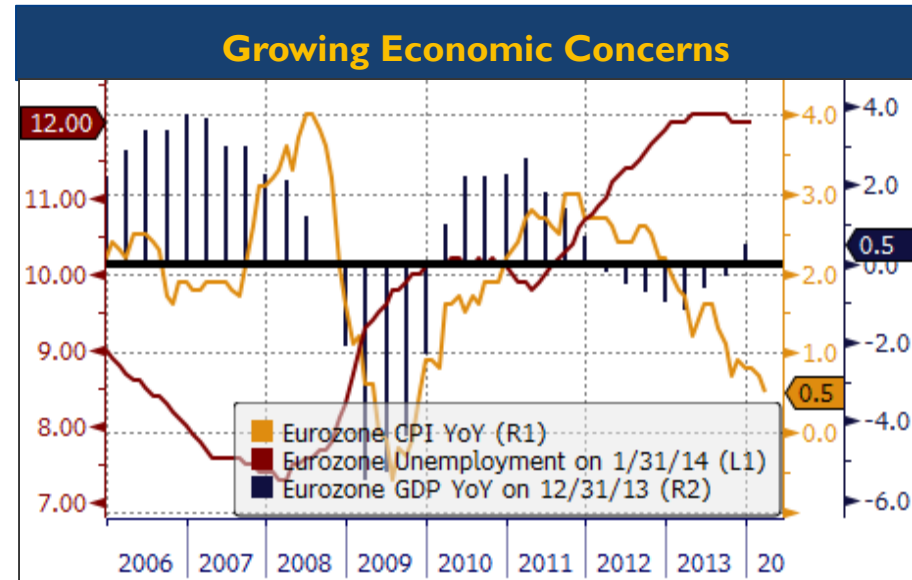
S&P 500 Price/EBITDA



Source: Bloomberg, Wurts

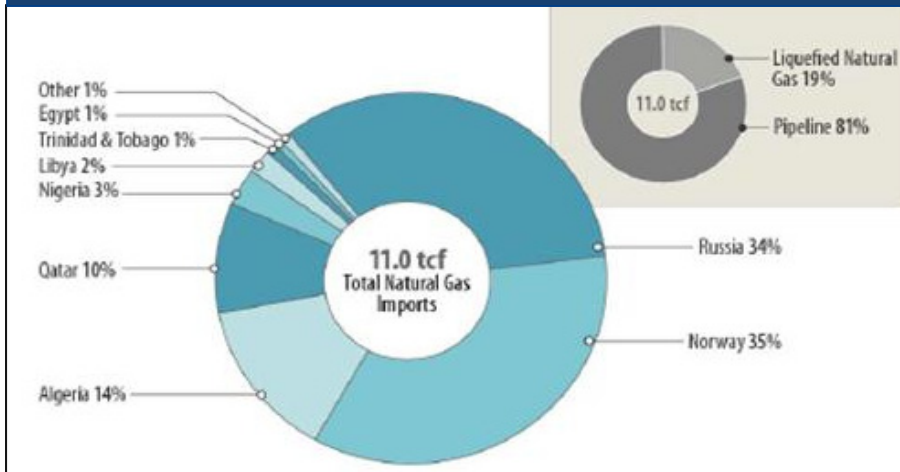
EUROPE: NOT A PROBLEM UNTIL IT'S A PROBLEM

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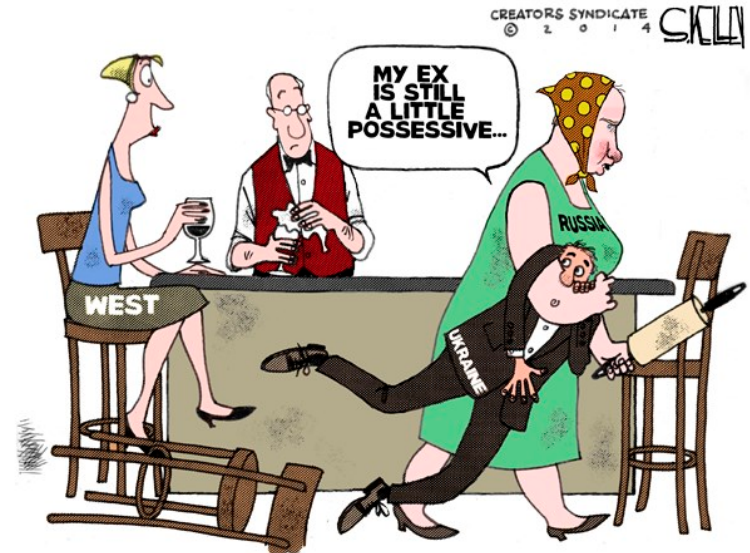


Sources: Eurostat, Bloomberg, Wurts

Europe's Dependence on Russian Gas



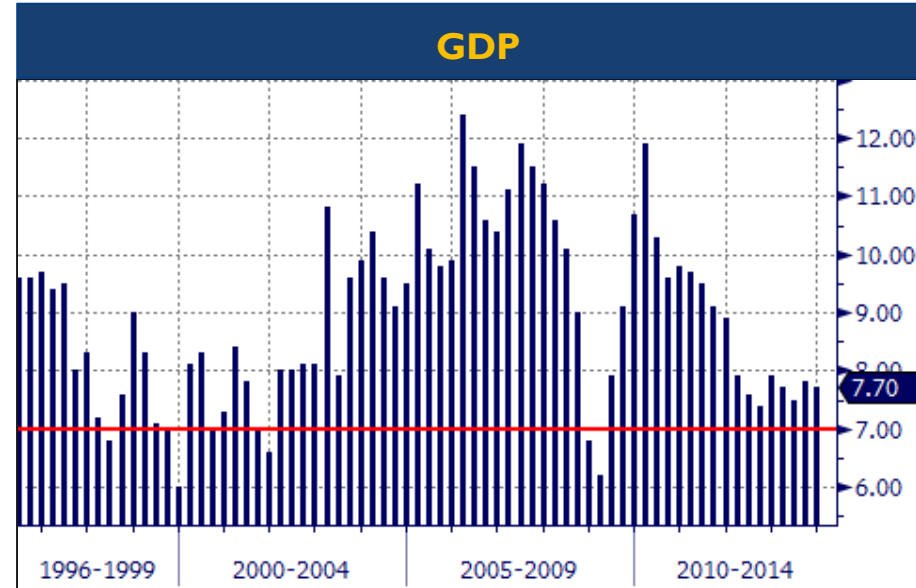
Sources: The Economist



Sources: www.cagle.com

BIG TROUBLE IN LITTLE CHINA

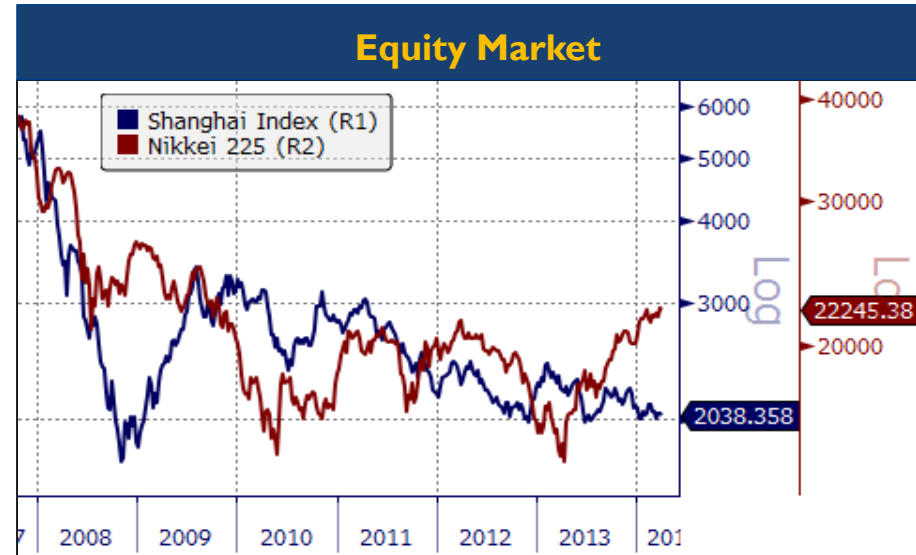
- The last time U.S. GDP was 7% was in 1984. Since then, U.S. GDP peaked out at 5% in the 1990s and 3% in the 2000s. So when we say China's GDP is slowing to 7%, it doesn't seem all that bad.
- But China has a very unique situation. In the U.S., there are 9 cities with 1 million or more in population; 10 in Western Europe and **over 150** in China. After Beijing and Shanghai, I challenge you to name 3 more. Further, 50% of those cities didn't exist 25 years ago. To avoid civil unrest, the economy must experience strong growth at above 7%. Below 7% would be a hard landing or said differently, below 7% would be similar to the U.S. GDP being below 0%.
- Since mid-2013, the economic reports have been coming in well below expectations (bad weather in China too?). China is at risk of a hard landing, with implications for global GDP.



Sources: Bloomberg, Wurts



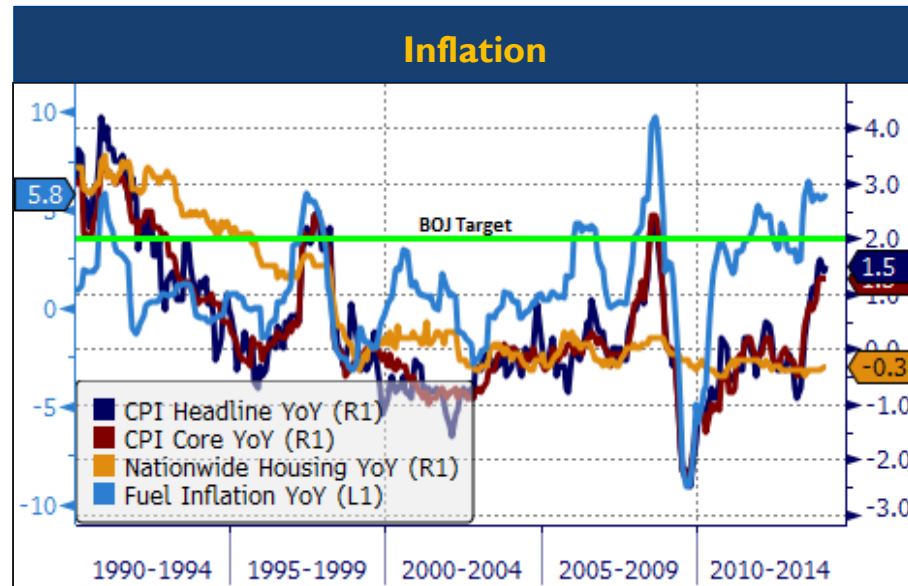
Sources: Citigroup, Bloomberg, Wurts



Sources: Shanghai Index, TSE, Bloomberg, Wurts

JAPAN: HOW IS THE EXPERIMENT GOING?

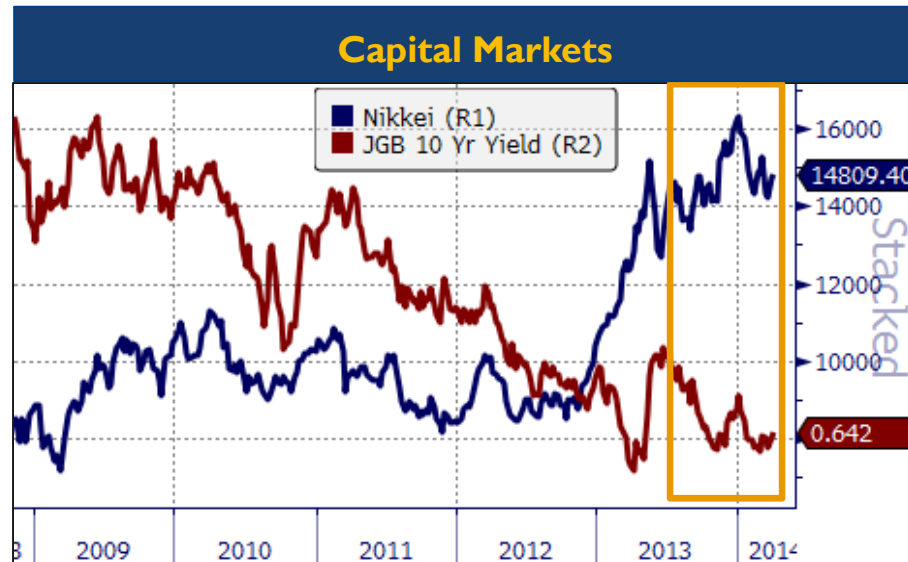
- The Great QE Experiment is just over a year old. So how's it going? Inflation is higher and GDP is 2.6%. QE defenders are pointing to these figures as evidence of QE success. No doubt these have improved.
- However, inflation has moved higher due to higher fuel prices – a rather direct result of the Fukushima disaster. Inflation is not being led higher by the more important housing market.
- Ok, so GDP is improving nicely. True, but is it self-sustaining? GDP forecasts for 2014 are not 3%, or 2%, but 1.4%. Economic forecasts are not sometimes wrong, they are nearly always wrong. So it is not the actual number to focus on, but the fact most economists expect a significant deceleration in GDP.
- How have the markets reacted? The Nikkei has lost a bit of ground, while rates remain near the lows. Appears the rate market has priced in the slowing, but equities have not – yet.



Sources: Ministry of Internal Affairs & Communication, Bloomberg, Wurts



Sources: Economic & Social Research Institute of Japan, Bloomberg, Wurts

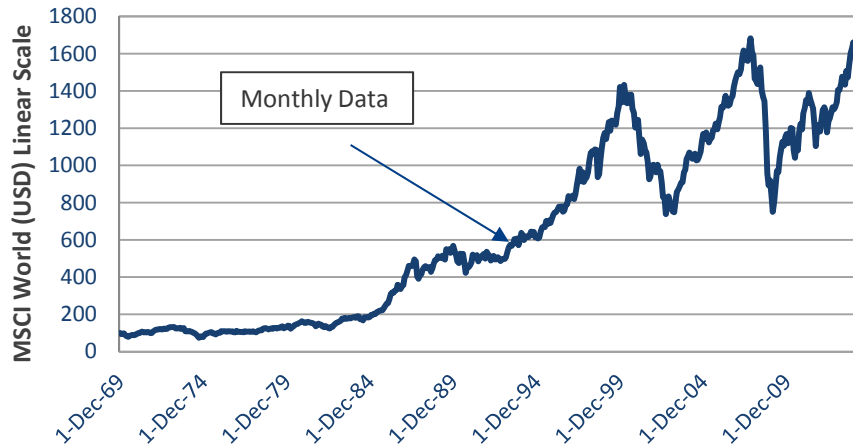


Sources: Bank of Japan, TSE, Bloomberg, Wurts

- Global growth continues to muddle along near the average over the past several years. It's not recessionary, but it's not great.
- Disruptive technology is changing the way we live – with important implications on how the economy is measured and viewed.
- Fed QE policy changed to qualitative guidelines – make it up as they go along
- Earnings growth expectations remain disappointing with lowered guidance and higher earnings error rates
- Equities are fully valued, but the trend remains positive (the rich could get richer)
- European growth remains slow (but better than prior 2 years) – Ukraine concerns linger
- Chinese growth approaching hard landing at 7% – fully priced?
- Japan QE experiment continues – growth and inflation expected to slow in Q1

CAPITAL MARKET IMPLICATIONS

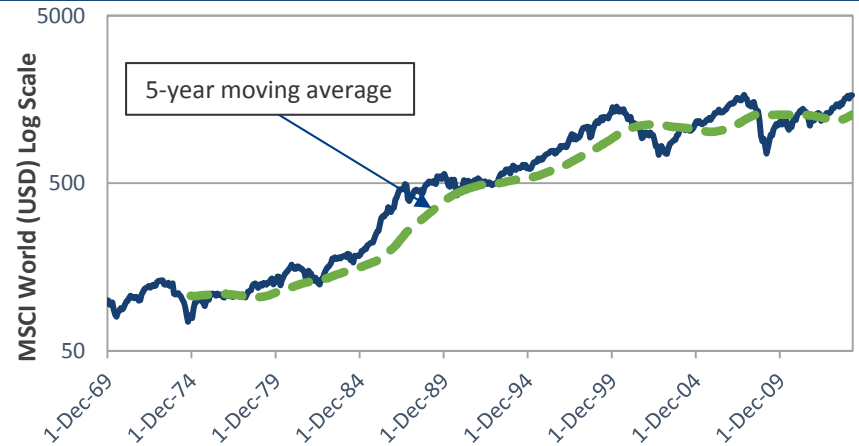
MSCI World Large & Mid Cap Equities



Sources: MSCI, Wurts

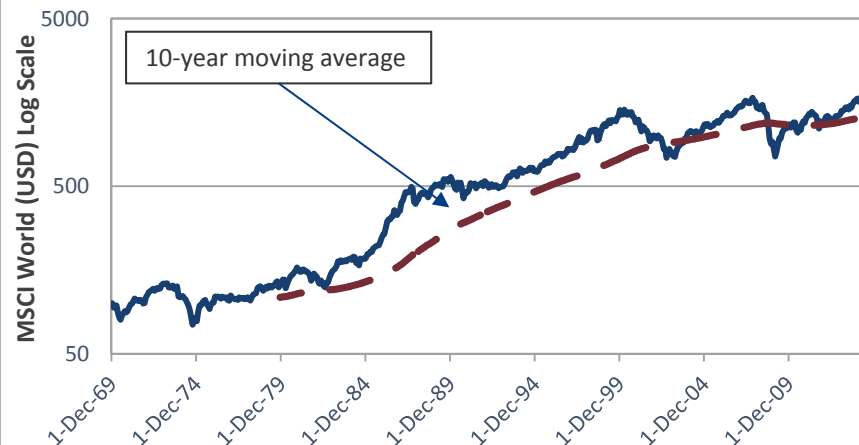
- The way you look at data influences the information you get from that data. Long-term investors should look at long-term data and at smoothed trends, at least to provide context. Using log scales on charts of this data helps avoid exaggerating recent price volatility.
- Without looking at the long-term moving averages and adjusting the scale of the data, the recent price movements look increasingly scary in long-term global equities.
- Making these adjustments clarifies the long-term equities story – index levels may be above the long-term trend line, but not in a way that calls us to question the long-term case for equity exposures.
- This doesn't change a need to focus on valuations, of course – but it contextualizes the valuation story

MSCI World Large & Mid Cap Equities



Sources: MSCI, Wurts

MSCI World Large & Mid Cap Equities



Sources: MSCI, Wurts

EQUITIES: US LARGE CAP VALUATIONS

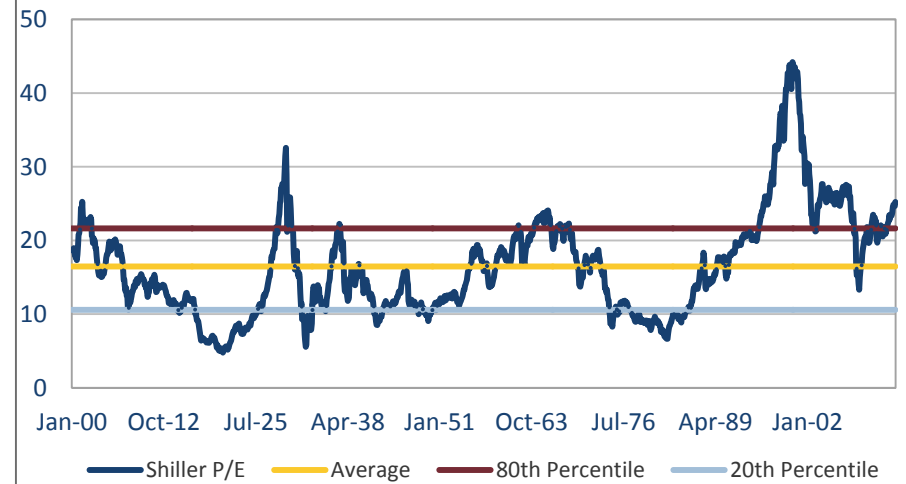
- The Shiller P/E ratio, which is based on the average inflation-adjusted earnings from the previous 10 years, is at the historically rich level of 25.4. This ranking is in the top 10th percentile since 1900, and is significantly higher than this time last year. This indicator has been above the 50th percentile for almost all of the time since the late 1980s.
- Similarly, the dividend yield is historically low (indicating rich valuation), ranking in the bottom 10th percentile.
- In addition, corporate profit margins remain historically high. These profits have been the result of productivity enhancements and cost cutting rather than revenue or earnings growth, raising the question of sustainability.
- Some other measures (Price-to-Cash Flow, for example) appear somewhat more restrained.

	Current	Current Percentile	One Year Ago Percentile
Shiller P/E	25.2	90%	84%
Trailing 12 month P/E	17.1	57%	47%
Dividend Yield	1.9%	10%	13%
Price-to-Book	2.6	45%	30%
Price-to-Cash Flow	9.2	46%	47%
Profit Margin	9.5%	100%	79%
Price-To-Sales	1.7	91%	74%

Rich

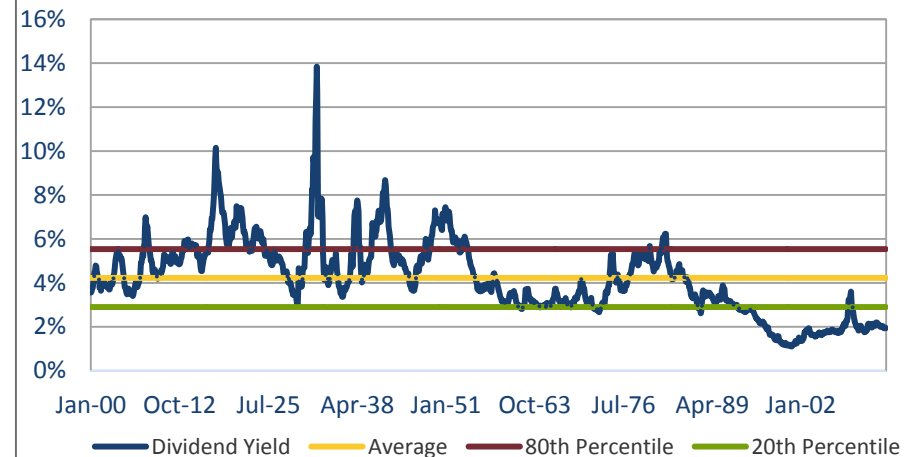
Cheap

Shiller P/E Ratio



Sources: Shiller, Wurts

S&P 500 Dividend Yield

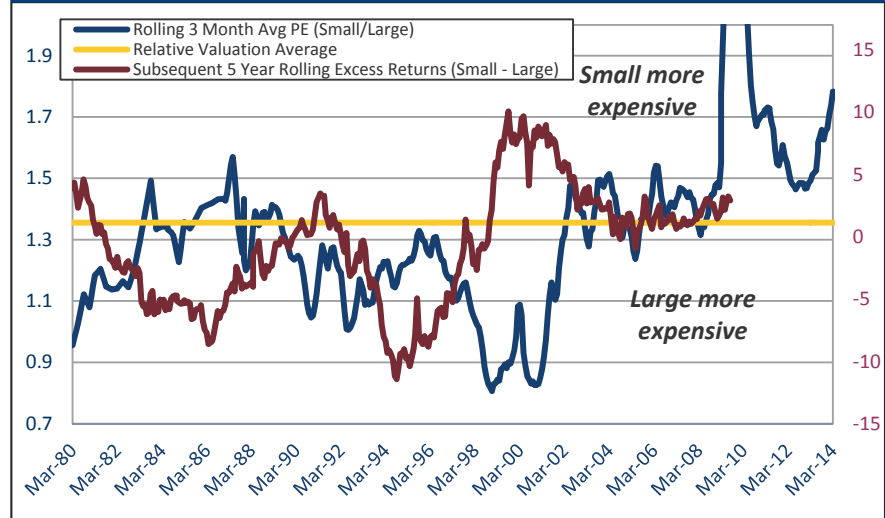


Sources: Bloomberg, Wurts

US EQUITIES: US LARGE VS. SMALL

- Small cap equities continue to look overvalued on an earnings basis relative to large cap.
- The Russell 2000 P/E ratio is more than 1.7x the Russell 1000 on a rolling 3-month average, returning to levels not seen since 2010. Since the early 2000s small caps have tended to be somewhat more expensive on this metric than large cap, but current levels are relatively extended.
- While large companies have held a small advantage over the last 20 years, they have underperformed over the last 5 and 10 years. Despite strong return outperformance over 3- and 5-year periods, small cap Sharpe ratios are still well below large caps over 3, 5, 7, 10 and 20 years.

Relative PE Ratio of U.S. Small vs. Large



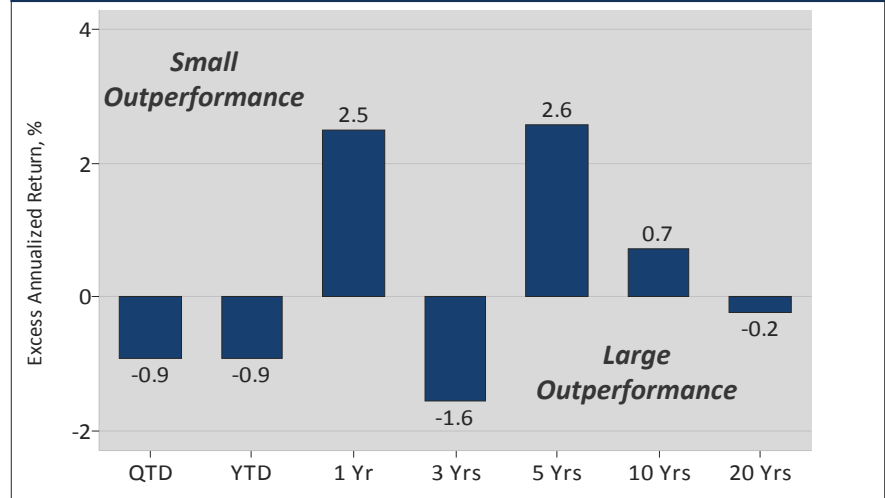
Source: Russell, Wurts & Associates

U.S. Large vs. Small Absolute Performance

	Russell 1000 Annualized Return to Date %	Russell 2000 Annualized Return to Date %
QTD	2.0	1.1
YTD	2.0	1.1
1 Year	22.4	24.9
3 Years	14.7	13.2
5 Years	21.7	24.3
7 Years	6.6	7.1
10 Years	7.8	8.5
20 Years	9.7	9.5
	Sharpe Ratio	Sharpe Ratio
3 Years	1.15	0.78
5 Years	1.51	1.27
7 Years	0.32	0.28
10 Years	0.41	0.35
20 Years	0.44	0.33

Source: MPI

U.S. Small vs. Large Relative Performance

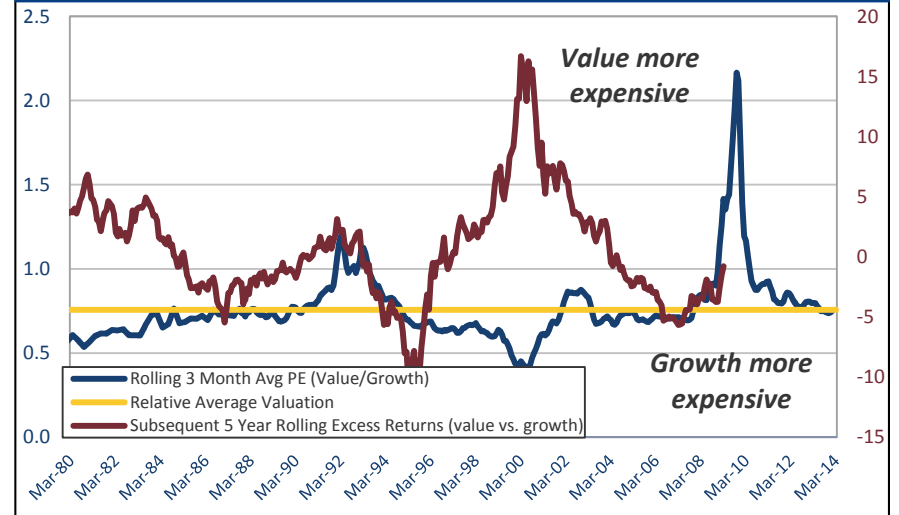


Source: MPI

U.S. EQUITIES: VALUE VS. GROWTH

- In a huge reversal, value stocks outperformed growth by a large margin, as speculative and momentum stocks were punished by investors. The Russell 1000 Value has outperformed the 1000 Growth by 1.9% YTD and now holds a small advantage over 3-, 5-, and 20-year time periods.
- Despite appearing only slightly overvalued relative to value stocks, growth stocks underperformed value by 3.4% during March. This violent move out of growth was led by sharp losses in Healthcare and Technology stocks which, until now, had been considered market leaders.
- It is interesting to note that the only period where Value has a stronger Sharpe Ratio than Growth is over the 20-year.

Relative PE Ratio of US Value vs. Growth



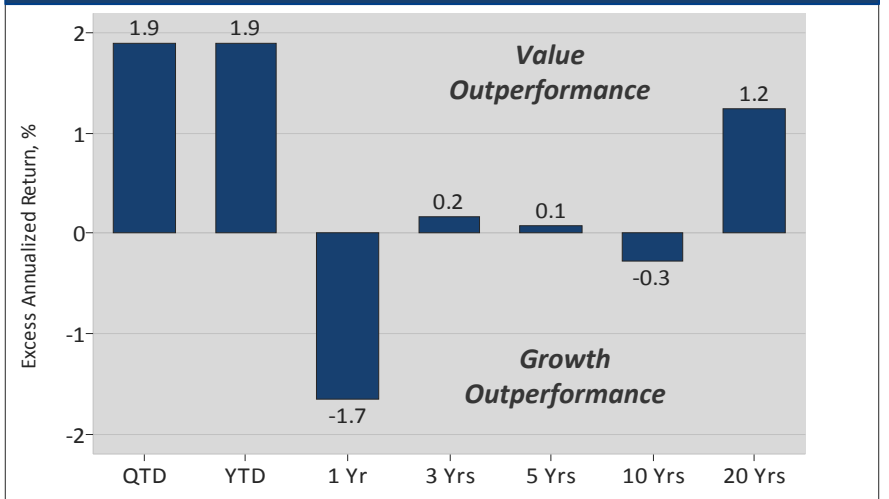
Source: Russell, Wurts & Associates

US Value vs. Growth Absolute Performance

	Russell 1000 Growth Annualized Return to Date %	Russell 1000 Value Annualized Return to Date %
QTD	1.1	3.0
YTD	1.1	3.0
1 Year	23.2	21.6
3 Years	14.6	14.8
5 Years	21.7	21.8
7 Years	8.2	4.8
10 Years	7.9	7.6
20 Years	8.8	10.1
	Sharpe Ratio	Sharpe Ratio
3 Years	1.14	1.11
5 Years	1.51	1.47
7 Years	0.42	0.21
10 Years	0.41	0.38
20 Years	0.33	0.47

Source: MPI

US Value vs. Growth Relative Performance



Source: MPI

EQUITIES: GLOBAL VALUATIONS

	S&P 500		MSCI EAFE		MSCI EM	
	Absolute	Percentile Rank	Absolute	Percentile Rank	Absolute	Percentile Rank
Shiller P/E	25.2	90%	16.5	22%	11.4	4%
Trailing 12 month P/E	17.1	57%	18.2	40%	11.9	31%
Dividend Yield	1.9%	10%	3.2%	80%	2.7%	80%
Price-to-Book	2.6	45%	1.7	30%	0.9	15%
Price-to-Cash Flow	9.2	46%	9.9	65%	6.9	53%
Profit Margin	9.5%	100%	5.8%	70%	8.3%	32%
Price-To-Sales	1.7	91%	1.0	63%	1.0	38%

Sources: Bloomberg, Wurts

Rich

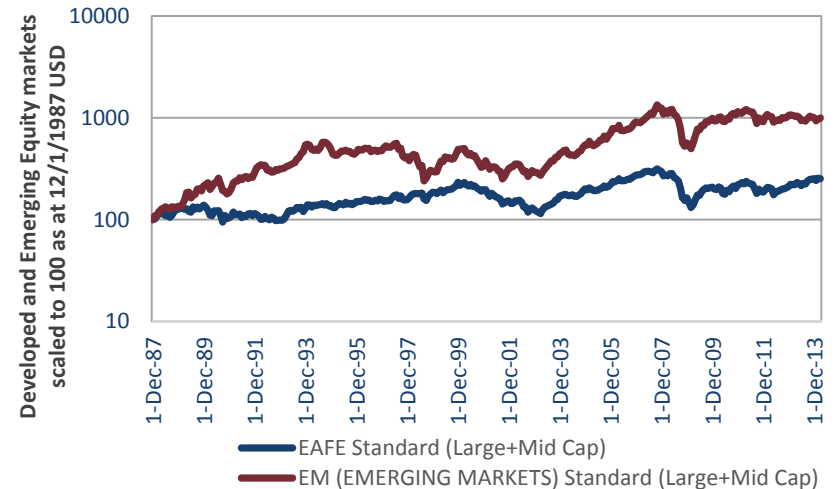
Cheap

- International developed and emerging market equity looks relatively attractive compared to U.S. equity, although they have shown similar cheap valuations over the last couple of years.
- While U.S. equity valuation is rich, EAFE valuation is fair, and EM is cheap.
- Given the slower growth (0.5% in Europe) and lingering concerns over Ukraine and lack of ECB action, is EAFE relatively cheaper than the U.S. for a reason? We should be conscious of the danger of a value trap.
- Similarly, EM growth has continue to disappoint and with growing concerns over a slowing in China, will EM valuations continue to cheapen? While the long-term strategic case remains intact we should be aware of possible short-term challenges.

EQUITIES: OUR VIEW ON EMERGING MARKETS

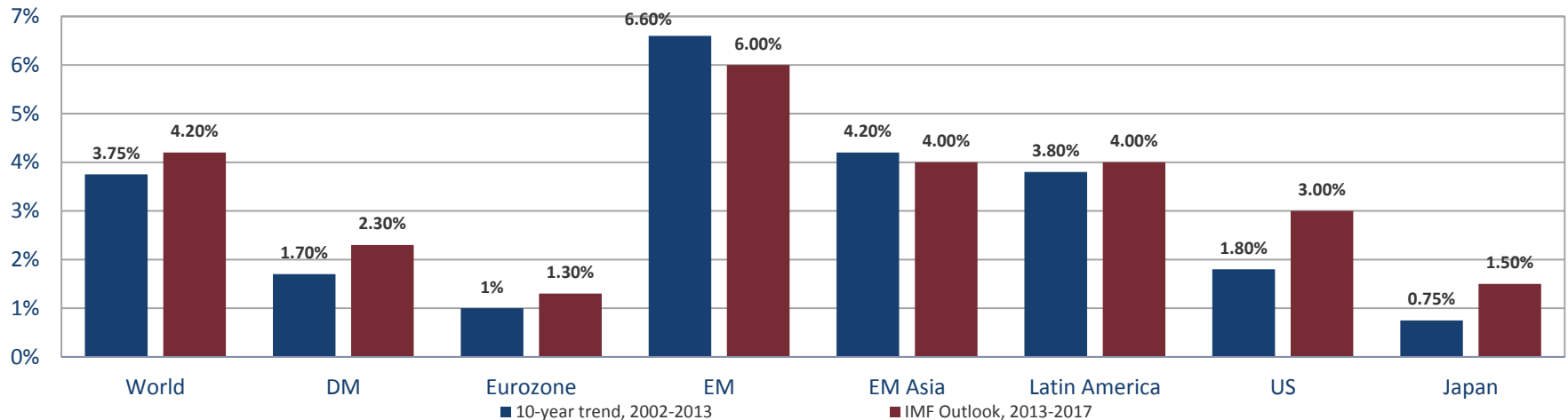
- Emerging market assets and currencies came under pressure in the last 6 months.
- This was due to Fed activity, hot money moving out of these markets, concerns over weaker consumption in the developed world and worries over China growth prospects.
- Over the long terms investors have been compensated for the greater risks of these markets.
- Underlying demographic fundamentals remain intact as do long term growth rates
- Our View: the strategic case for emerging markets allocation remains intact. Rebalancing policies that align with client risk tolerance should allow investors to take advantage of short to medium term weakness.**

Long Term Equity Return Relative Premium



Sources: MSCI, Wurts

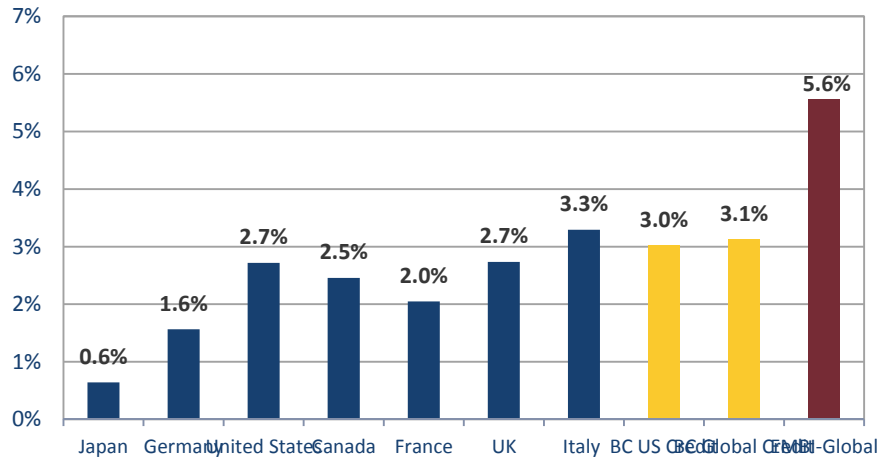
Emerging Markets Growth Rates



Sources: IMF, Wurts

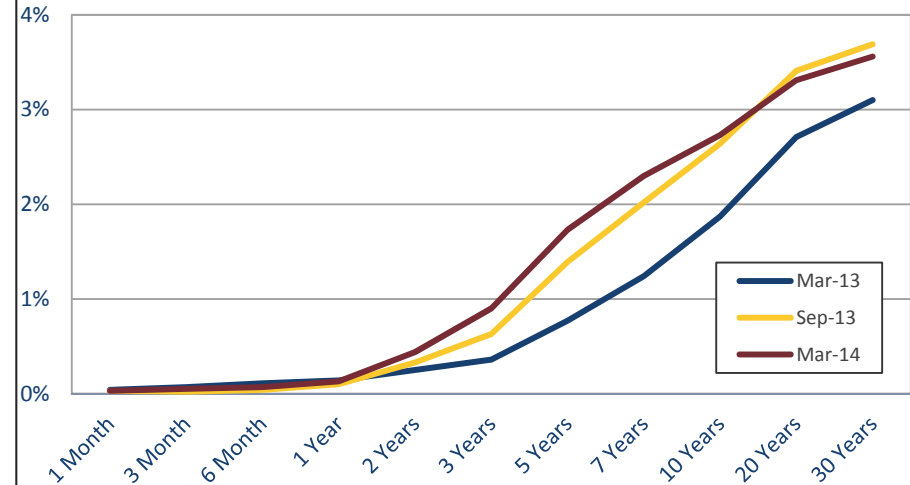
BONDS: GLOBAL INTEREST RATES

Global Sovereign 10Year Index Yields



Sources: Bloomberg, Wurts

U.S. Treasury Yield Curve



Sources: Bloomberg, Wurts

- Global developed nominal and real rates are historically low and considered rich on this basis alone.
- With the exception of Japan, developed yield curves (10y-2y) are relatively steep compared to their history, offering an attractive roll-down return.
- With the sell-off in emerging market debt last year, EM rates are starting to appear attractive from a rich/cheap perspective.

Global Rates Valuations

	U.S.	Japan	Germany	Canada	EM
Rich/Cheap Valuation (weighted avg.)	Rich	Rich	Rich	Rich	Cheap
Nominal Yield	2.7	0.6	1.6	2.4	6.1
Real Yield (Nominal Yield - CPI)	1.4	-0.7	0.4	1.2	2.5
Yield Curve (10y - 2y)	2.3	0.5	1.5	1.4	1.2
	Rich	Rich	Cheap	Cheap	Cheap

Sources: Bloomberg, Wurts

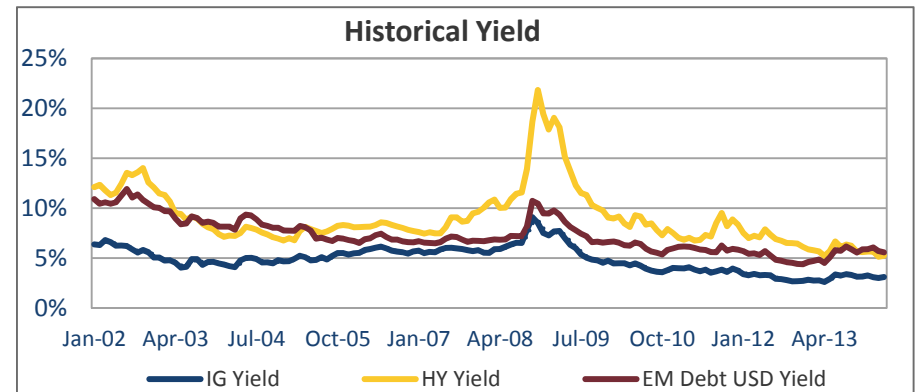
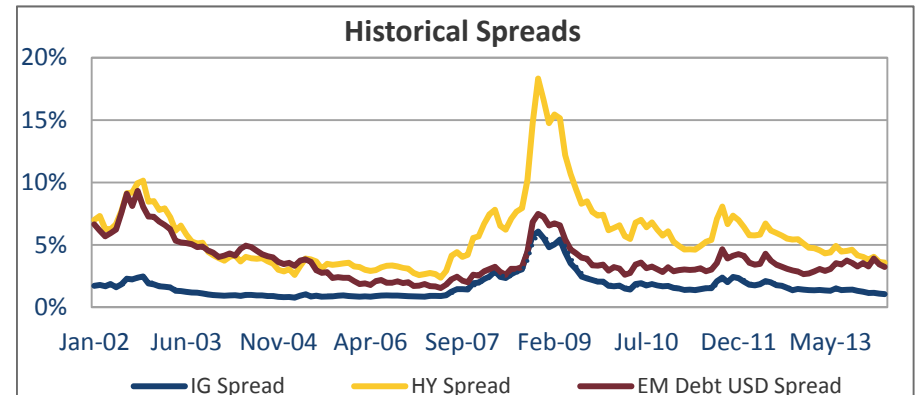
	U.S. IG Credit		U.S. HY Credit		JPM EMBI Global	
	Absolute	Percentile Rank	Absolute	Percentile Rank	Absolute	Percentile Rank
Yield	3.1%	3%	5.2%	12%	5.5%	9%
Spread	1.1%	50%	3.6%	33%	3.2%	38%
Quality Spread	0.8%	52%	2.2%	24%		

Rich

Cheap

Sources: Bloomberg, Wurts

- Absolute credit yields remain at historical lows – with investment grade credit ranking in at an incredible 3rd percentile (i.e., yields have been higher 97% of the time).
- Spreads are mixed, with investment grade spreads at average, and high yield and emerging market debt USD slightly below average.
- Within high yield, the yield difference between lower quality high yield and higher quality high yield is well below average, indicating it may be advantageous to go up in quality. Issuer selection may also be important.
- Spreads leaked wider in January and early February based on weak economic numbers out of China and the U.S.
- Spreads in emerging markets have come down after spiking in early February, and performance is now positive year-to-date.

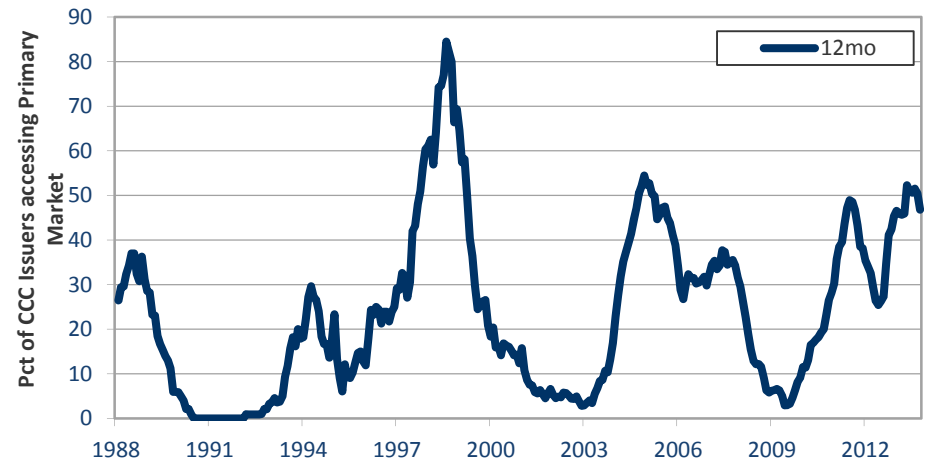


Sources: Bloomberg, Wurts

BONDS: OUR VIEW ON CREDIT MARKETS

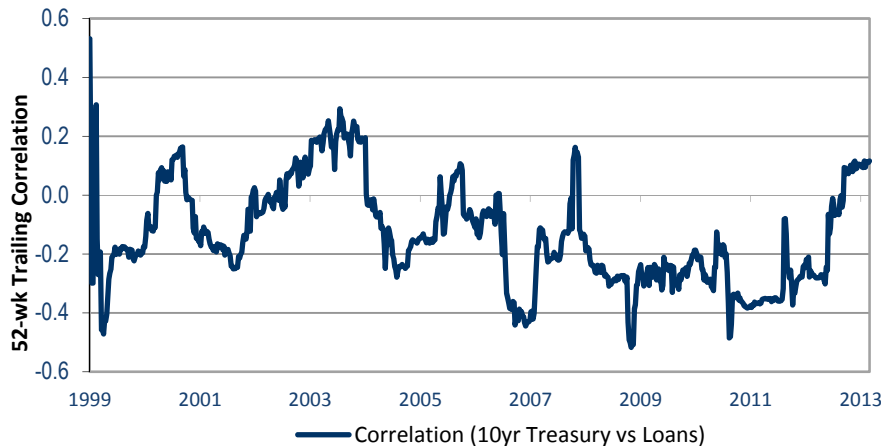
- A low interest rate environment makes investors concerned to make sure that they are exposed to components of the credit universe that will allow them to have a chance of generating return
- Lower quality issuers have been able to raise debt financing at a higher rate recently than at times in the past. The bank loan market is also showing an increase in Covenant Lite issuance.
- Bank Loans have relatively low correlation with the US 10 Year and so provide useful diversification but with similar risk adjusted returns
- **OUR VIEW: Our strategic view in favor of allocations to HY and Bank Loans remains intact despite some signs of richer valuations**

Rolling 12 months % of CCC Issuers Accessing Primary Markets



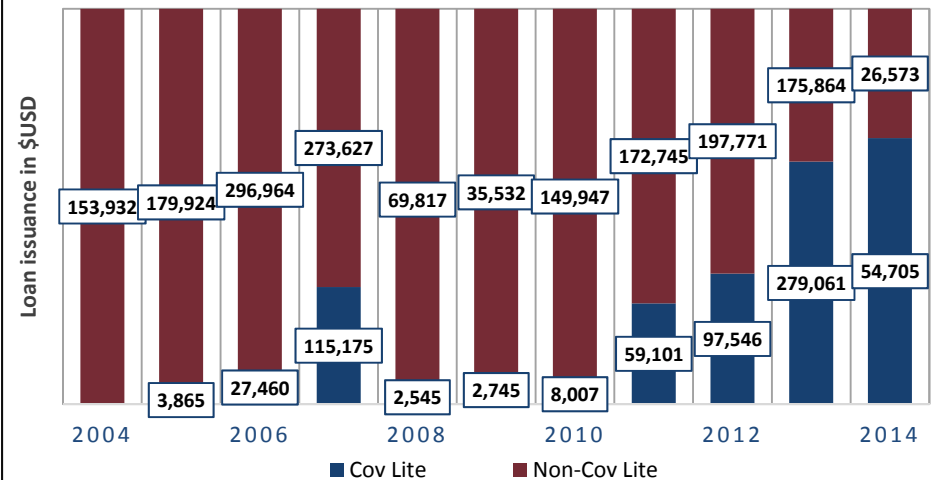
Source: B of A Merrill Lynch

Bank Loans Relationship To Treasury 10 Yr



Source: B of A Merrill Lynch

Covenant Lite Issuance

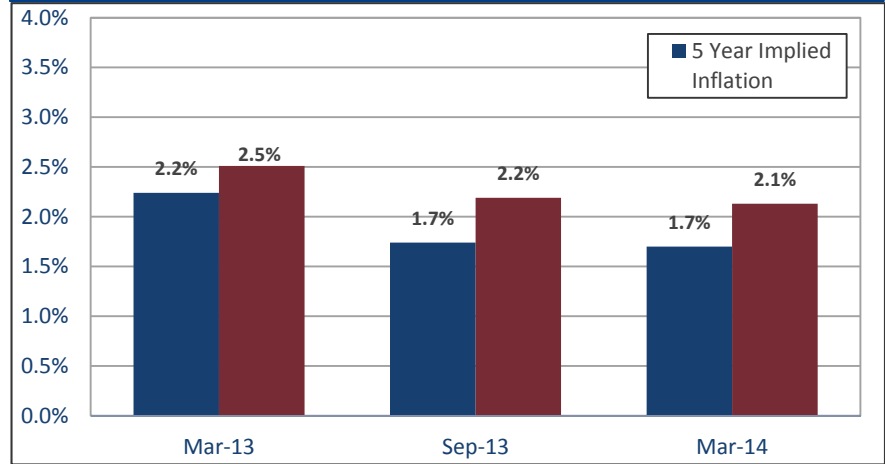


Source: B of A Merrill Lynch

INFLATION STRATEGIES: TIPS

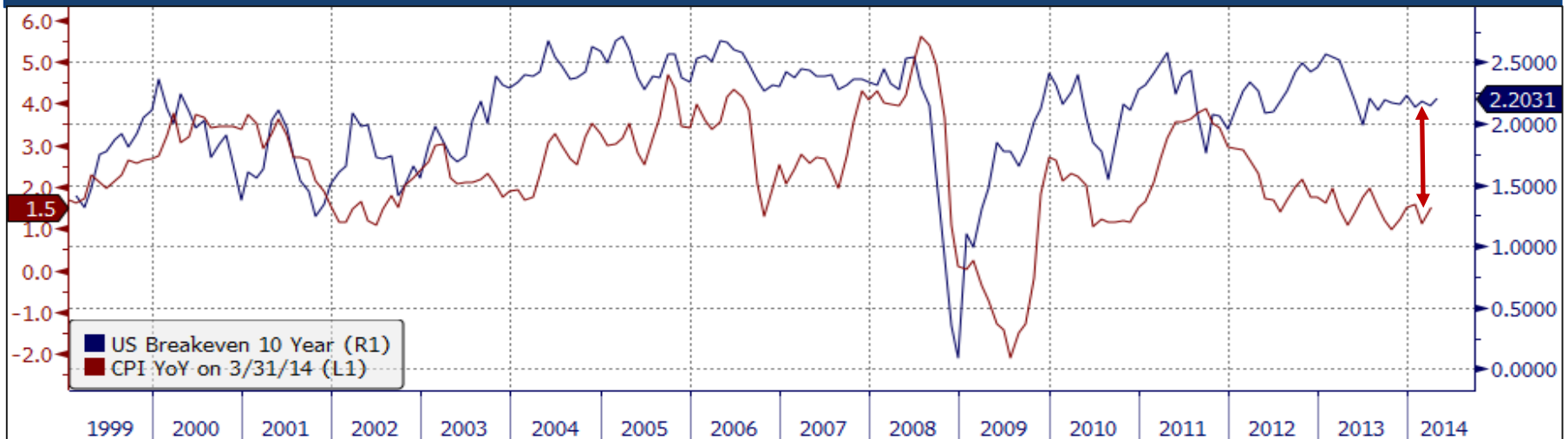
- Realized inflation has been trending lower over the past 2 years, whereas expected inflation, as measured by the breakeven inflation rate, remains closer to historic levels.
- For TIPS to provide positive real returns, realized inflation must be above the expected level. Therefore, TIPS are quite richly valued today given the wide gap between these two figures.
- The expected level derived from TIPS pricing could be distorted by market behavior (for example a part of the investment community with radically higher inflation expectations, or with a greater than normal propensity to protect against inflation).

Inflation Expectations (Nominal less Real)



Source: Federal Reserve

Breakeven versus Inflation



Sources: Bureau of Labor Statistics, US Treasury, Bloomberg, Wurts

INFLATION STRATEGIES: COMMODITIES

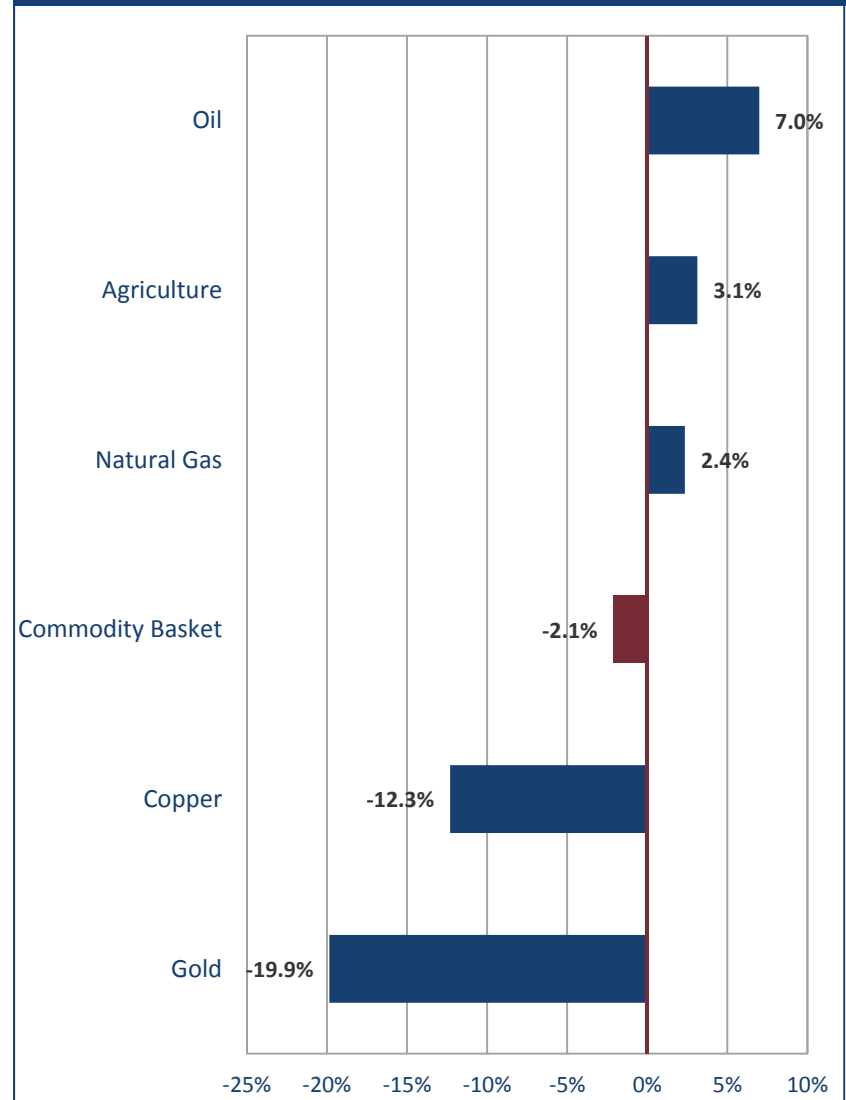
- Commodities continued their strong quarter with a return of 0.4% in March for the DJ-UBS Commodity Index, putting its first quarter return at 7.0%, its best return to start the year since 2008.
- Commodity performance has been mixed with energy (oil & natural gas) performing fairly well along with agriculture; while metals has significantly underperformed over the past several years.
- Concerns about China's growth hurt Copper prices, while precious metals such as Silver and Gold were negative due to the Fed's indications of continued tapering.
- Active management in commodities remains critically important, as the dispersion between commodity sectors is significant, and the futures market presents opportunities for added value from varied term selection.

Index vs. Forward Contract Performance

	DJ UBS Commodity Annualized Return to date, %	DJ UBS Commodity Forward 3 Month Annualized Return to date, %
QTD	6.99	5.69
YTD	6.99	5.69
1 Year	-2.1	-2.42
3 Years	-7.37	-6.81
5 Years	4.24	5.65
7 Years	-2.72	0.47
10 Years	0.43	6.44
20 Years	5.12	9.07

Source: MPI

Trailing One-Year Return



Source: DJ UBS Commodity Indices, MPI

Equities

- U.S. equities are fully valued. Uninspiring but positive economic activity is likely to provide ongoing support in favor of these valuations, particularly relative to other markets.
- EAFE is fairly valued but with continued slow growth and emerging concerns over Ukraine, valuations may cheapen in the future.
- Emerging markets are cheap, but continued concerns over growth and slowing in China could weigh further. Rebalancing into or a modest overweight may be prove beneficial over the long term: but understand your risk tolerance before moving.
- Structural differences within and between emerging markets will be important, both for market and security selection. Active manager selection will likely be very important to maximize the opportunity.

Bonds

- Government debt appears rich – with the spread between peripheral vs. core Europe of particular note. Emerging market debt remains attractive, although the risks involved must be taken into account.
- Credit appears rich; rebalancing and going up in quality may be prudent.

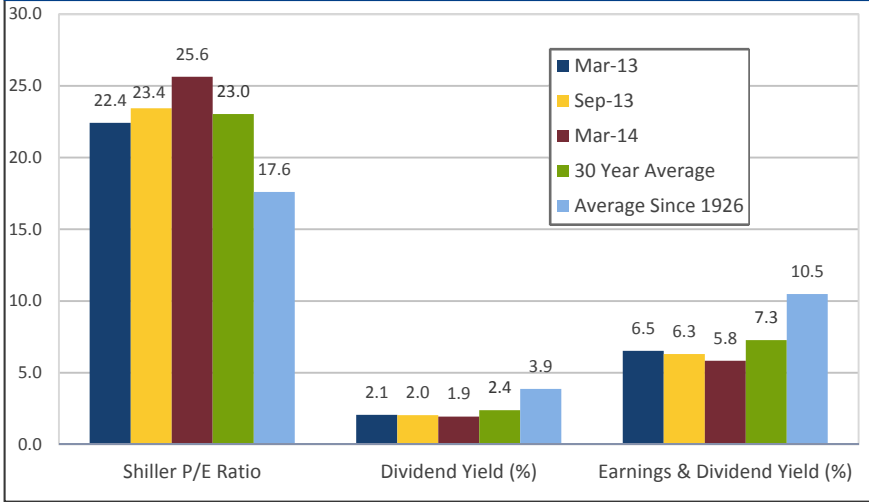
Inflation Strategies

- Inflation remains relatively lower than many expected.
- TIPS are richly valued relative to expectations.
- Commodities might present a better hedge against inflation than TIPs. However, the performance of the commodity sub-indices varies greatly and active management is recommended.

APPENDIX

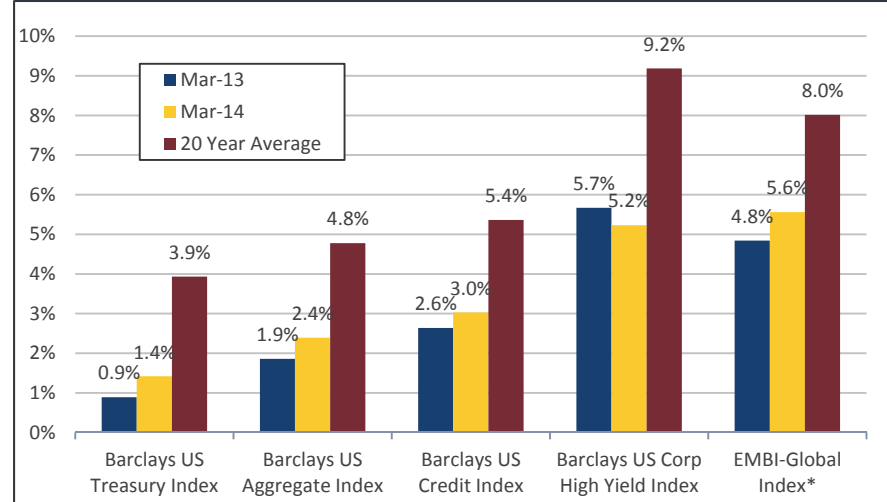
FREQUENT & FAVORITE CHARTS

US Large Cap (S&P 500) Valuation Snapshot



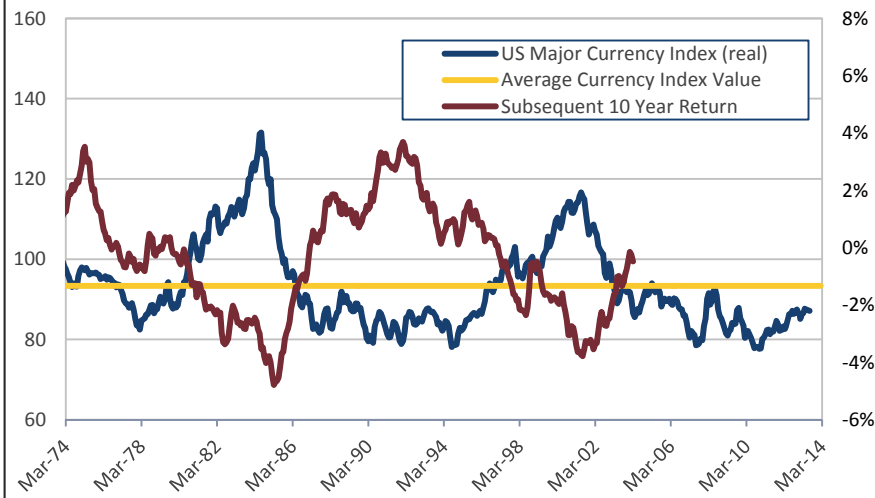
Source: Yale/Shiller, Wurts

Nominal Fixed Income Yields



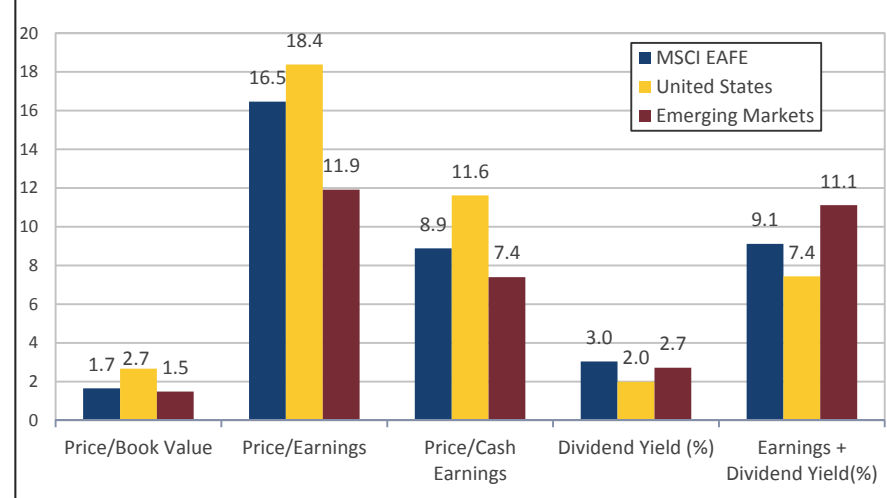
Source: Ibbotson, JP Morgan

US Dollar Major Currency Index (Mar '14)



Source: Free Lunch, Wurts

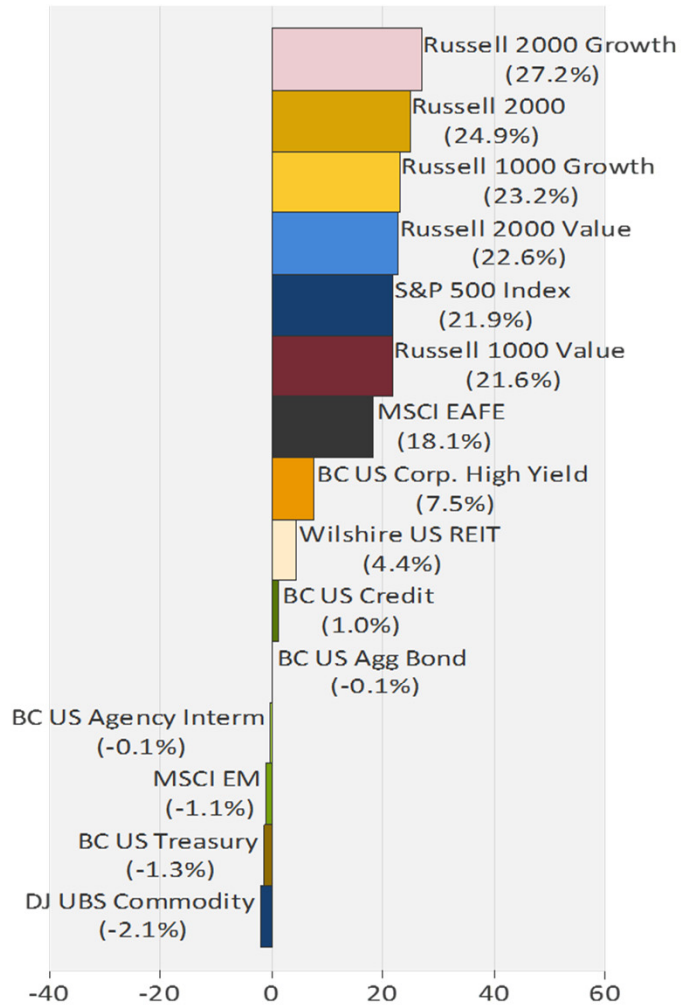
MSCI Valuation Metrics (3 Month Average)



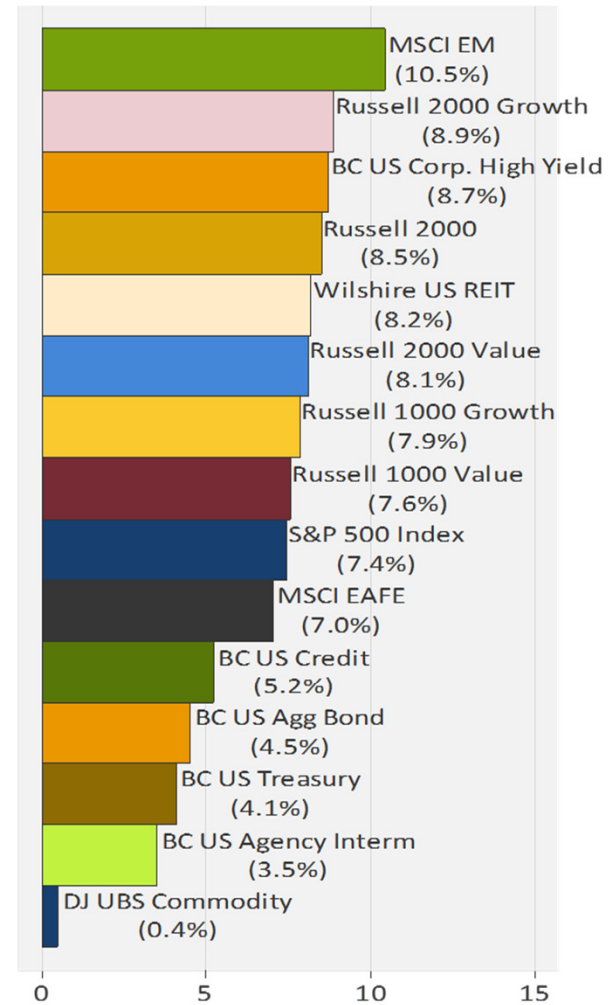
Source: MSCI

MAJOR ASSET CLASS RETURNS

One Year ending March 2014

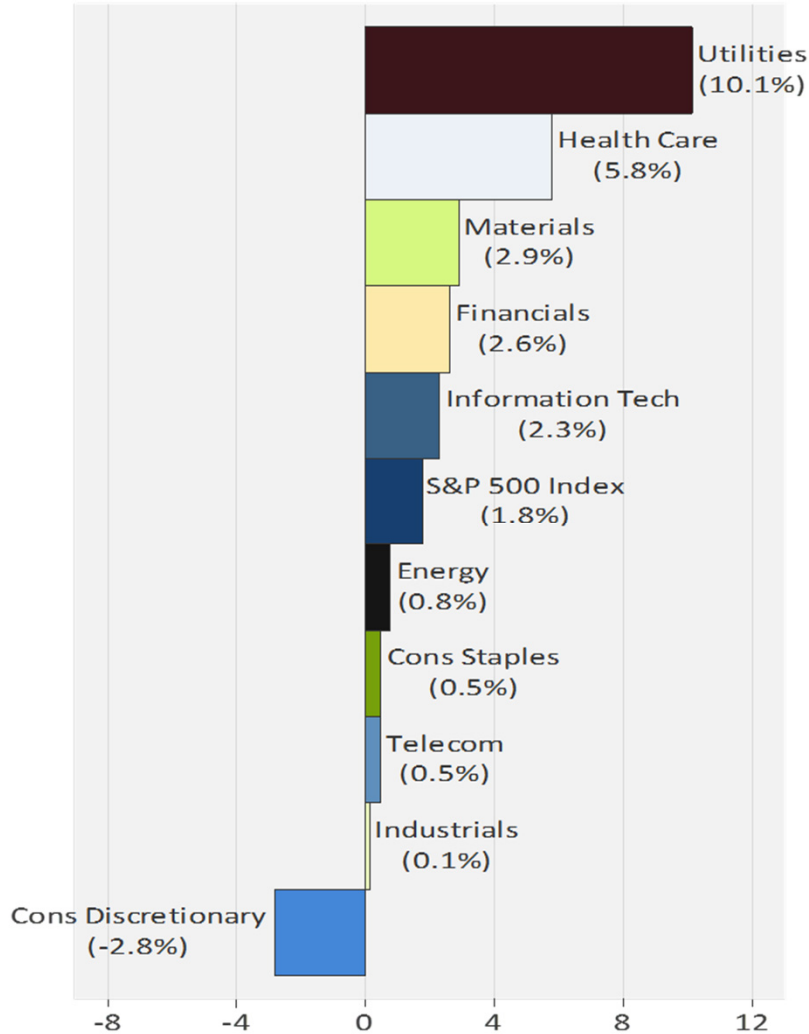


Ten Years ending March 2014

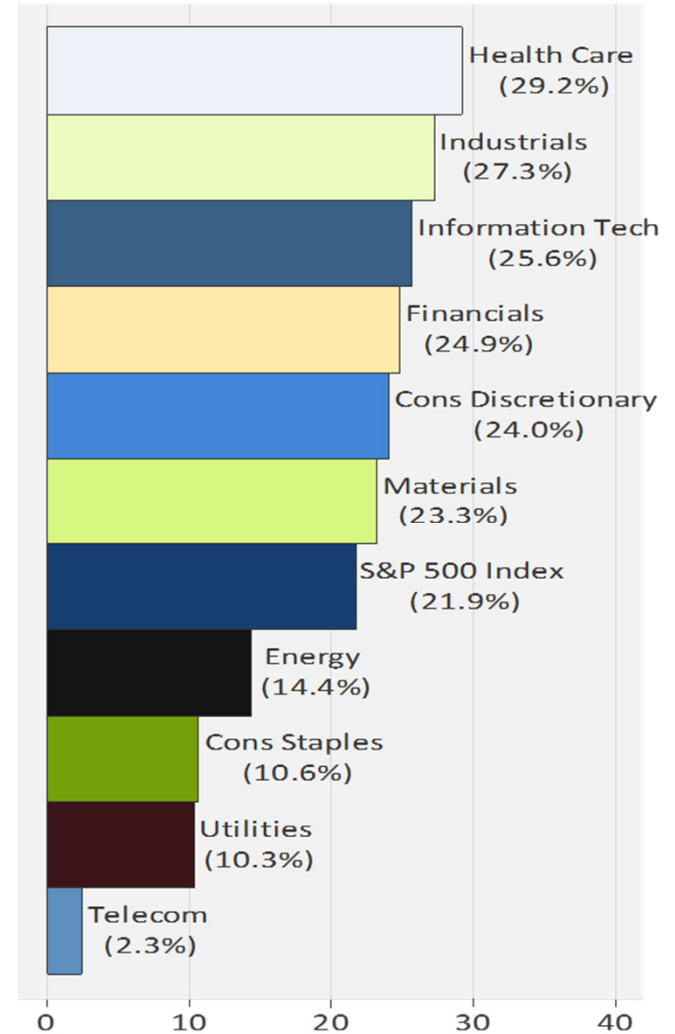


S & P 500 AND S & P 500 SECTOR RETURNS

QTD Ending March 2014



One Year Ending March 2014



DETAILED INDEX RETURNS

Domestic Equity 3/2014	Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Fixed Income 3/2014	Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years
<u>Core Index</u>								<u>Broad Index</u>							
S&P 500 Index	0.8	1.8	1.8	21.9	14.7	21.2	7.4	BC US Treasury US TIPS	(0.5)	1.9	1.9	(6.5)	3.5	4.9	4.5
S&P 500 Equal Weighted	0.7	3.0	3.0	24.6	15.4	26.6	9.7	BC US Treasury Bills	0.0	0.0	0.0	0.1	0.1	0.2	1.7
DJ Industrial Average	0.9	(0.2)	(0.2)	15.7	13.0	19.9	7.5	BC US Agg Bond	(0.2)	1.8	1.8	(0.1)	3.7	4.8	4.5
Russell Top 200	1.0	1.4	1.4	21.9	14.9	20.2	6.9	<u>Duration</u>							
Russell 1000	0.6	2.0	2.0	22.4	14.7	21.7	7.8	BC US Treasury 1-3 Yr	(0.1)	0.1	0.1	0.4	0.8	1.1	2.5
Russell 2000	(0.7)	1.1	1.1	24.9	13.2	24.3	8.5	BC US Treasury Long	0.7	7.1	7.1	(4.2)	8.3	4.8	6.1
Russell 3000	0.5	2.0	2.0	22.6	14.6	21.9	7.9	BC US Treasury	(0.3)	1.3	1.3	(1.3)	3.4	2.7	4.1
Russell Mid Cap	(0.3)	3.5	3.5	23.5	14.4	25.6	10.1	<u>Issuer</u>							
<u>Style Index</u>								BC US MBS	(0.3)	1.6	1.6	0.2	2.8	3.6	4.6
Russell 1000 Growth	(1.0)	1.1	1.1	23.2	14.6	21.7	7.9	BC US Corp. High Yield	0.2	3.0	3.0	7.5	9.0	18.2	8.7
Russell 1000 Value	2.4	3.0	3.0	21.6	14.8	21.8	7.6	BC US Agency Interm	(0.3)	0.6	0.6	(0.1)	1.7	2.3	3.5
Russell 2000 Growth	(2.5)	0.5	0.5	27.2	13.6	25.2	8.9	BC US Credit	0.1	2.9	2.9	1.0	5.8	8.9	5.2
Russell 2000 Value	1.2	1.8	1.8	22.6	12.7	23.3	8.1								

International Equity 3/2014	Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Other 3/2014	Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years
<u>Broad Index</u>								<u>Index</u>							
MSCI EAFE	(0.6)	0.8	0.8	18.1	7.7	16.6	7.0	DJ UBS Commodity	0.4	7.0	7.0	(2.1)	(7.4)	4.2	0.4
MSCI AC World ex US	0.3	0.6	0.6	12.8	4.6	16.0	7.6	Wilshire US REIT	0.9	10.1	10.1	4.4	10.5	29.2	8.2
MSCI EM	3.1	(0.4)	(0.4)	(1.1)	(2.5)	14.8	10.5								
MSCI EAFE Small Cap	(0.5)	3.4	3.4	23.7	9.8	22.1	8.9								
<u>Style Index</u>															
MSCI EAFE Growth	(0.6)	0.2	0.2	15.3	7.6	16.3	6.9								
MSCI EAFE Value	(0.6)	1.3	1.3	20.9	7.8	16.8	7.0								
<u>Regional Index</u>															
MSCI UK	(3.2)	(0.8)	(0.8)	16.8	9.0	18.6	6.8								
MSCI Japan	(1.2)	(5.5)	(5.5)	7.8	5.6	10.5	2.3								
MSCI Euro	0.2	2.1	2.1	33.3	7.6	16.0	7.4								
MSCI EM Asia	1.4	(0.2)	(0.2)	3.4	0.3	16.0	9.9								
MSCI EM Latin America	8.8	0.4	0.4	(13.6)	(8.7)	11.4	14.0								

Source: Morningstar, Inc.

PERIODIC TABLE OF RETURNS – MARCH 2014

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	YTD
Best	16.6	38.4	23.2	35.2	38.7	66.4	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	7.0
	8.1	37.8	23.1	32.9	27.0	43.1	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	3.0
	6.4	37.2	22.4	31.8	20.3	33.2	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	2.7
	4.4	31.0	21.6	30.5	16.2	27.3	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	2.0
	2.6	28.5	21.4	22.4	15.6	26.5	7.0	2.8	1.0	39.2	16.5	8.0	18.4	11.6	-25.5	28.4	16.8	1.2	16.4	33.1	1.9
	0.4	25.7	16.5	19.1	13.8	24.3	6.0	2.5	-6.0	30.0	14.5	7.5	16.6	10.3	-28.9	27.2	16.7	0.4	16.3	32.5	1.8
	-0.2	24.4	15.5	16.2	8.7	21.3	4.1	-2.4	-8.9	29.9	14.3	7.1	15.5	8.7	-33.8	20.6	16.1	0.1	15.3	23.3	1.8
	-1.5	18.5	14.4	13.9	4.9	20.9	0.4	-4.3	-11.4	29.7	11.9	6.3	14.0	7.0	-35.6	19.7	15.5	-2.9	14.6	14.4	1.1
	-1.8	15.2	11.3	12.9	1.2	16.8	-3.0	-5.6	-15.5	23.9	11.4	5.3	13.3	7.0	-36.8	18.9	13.1	-4.2	12.6	11.0	1.1
	-2.0	11.6	10.3	9.7	-2.5	11.4	-7.8	-9.2	-15.7	22.9	9.1	4.7	10.4	5.8	-37.6	18.4	13.0	-5.5	10.5	9.0	0.8
	-2.4	11.1	6.4	5.2	-5.1	7.3	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.5
	-2.9	7.5	6.0	2.1	-6.5	4.8	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	0.4
	-3.5	5.7	5.1	-3.4	-25.3	-0.8	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	0.0
Worst	-7.3	-5.2	3.6	-11.6	-27.0	-1.5	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-0.4

- Large Cap Equity
- Small Cap Growth
- Commodities
- Large Cap Value
- International Equity
- Real Estate
- Large Cap Growth
- Emerging Markets Equity
- Hedge Funds of Funds
- Small Cap Equity
- US Bonds
- Universe Median Total Funds
- Small Cap Value
- Cash

Source: Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF) and BNY Mellon

Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, BC Agg, T-Bill 90 Day, DJ UBS Comm, NCREIF Property, HFRI FOF, BNY Universe Median Total Funds.

Imperial County Employees' Retirement System
Investment Performance Review
Period Ending: March 31, 2014

999 Third Avenue, Suite 4200
Seattle, Washington 98104
(206) 622-3700

2321 Rosecrans Avenue, Suite 2250
El Segundo, CA 90245
(310) 297-1777

Imperial County Employees' Retirement System

Portfolio Reconciliation

Period Ending: March 31, 2014

TOTAL FUND w CLIFTON			
Portfolio Reconciliation			
	<u>Quarter</u>		<u>FYTD</u>
Market Value of Portfolio on: 12/31/13	\$654,162,689	06/30/13	\$592,933,734
Net Contributions/Withdrawals	-\$4,675,034		-\$5,514,524
Growth from Investments			
Investment Income	\$2,406,791		\$9,407,761
Change in Market Value	<u>\$9,180,848</u>		<u>\$64,248,324</u>
Total Growth from Investments	<u>\$11,587,639</u>		\$73,656,084
Market Value of Portfolio on: 03/31/14			<u><u>\$661,075,294</u></u>

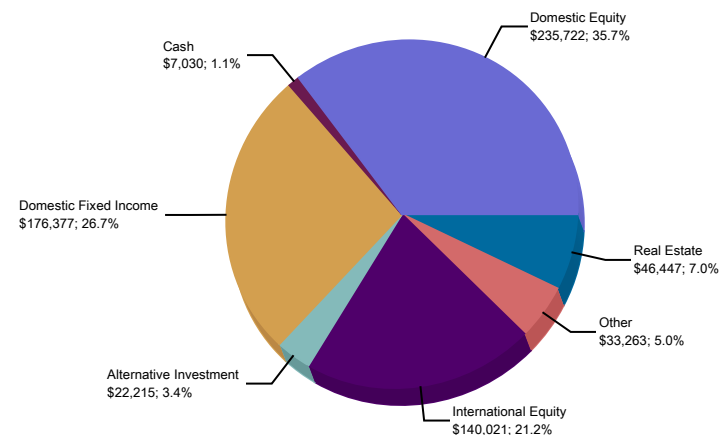
Imperial County Employees' Retirement System

Executive Summary - Gross of Fees

Period Ending: March 31, 2014

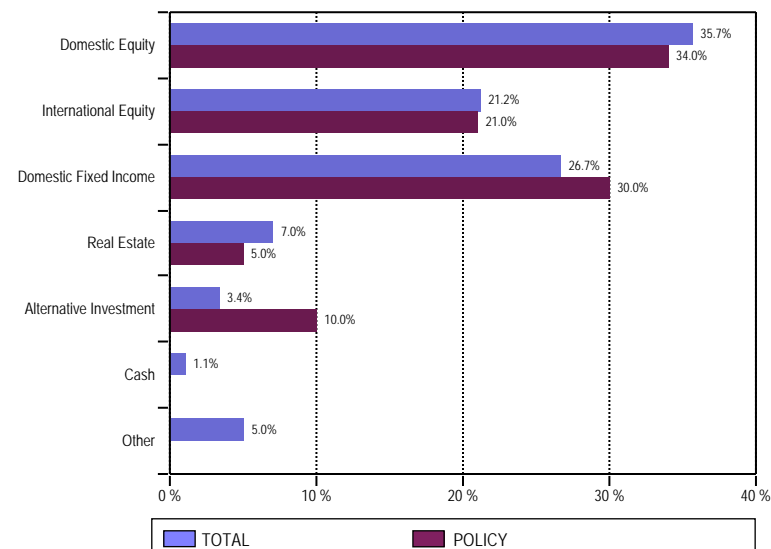
	Quarter Return	FYTD Return	One Yr Return	Three Yrs Return	Five Yrs Return	Ten Yrs Return	15 Yrs Return
Total							
TOTAL FUND w CLIFTON (G)	1.9	12.6	11.7	8.3			
TOTAL FUND x CLIFTON (G)	1.9	12.8	11.8	8.2	15.1	7.3	7.3
<i>POLICY</i>	2.0	11.6	10.7	7.7	14.1	6.4	5.3
Domestic Equity							
TOTAL DOMESTIC EOT (G)	1.8	19.8	22.7	14.7	22.8	8.8	7.5
<i>RUSSELL 3000 INDEX</i>	2.0	19.4	22.6	14.6	21.9	7.9	5.2
International Equity							
TOTAL INTL EOT (G)	0.9	16.7	13.3	3.8	16.4	8.0	7.4
<i>MSCI ACWI ex U.S. GROSS</i>	0.6	16.2	12.8	4.6	16.0	7.6	5.7
Domestic Fixed Income							
TOTAL FIXED INCOME (G)	1.9	3.3	-0.2	4.9	7.5	5.9	6.3
<i>BC AGGREGATE INDEX</i>	1.8	2.3	-0.1	3.7	4.8	4.5	5.4
Real Estate							
TOTAL REAL ESTATE (G)	2.2	9.3	12.9	11.7	7.2		
<i>NCREIF PROPERTY INDEX</i>	2.7	8.1	11.2	11.7	7.9		
Alternative Investment							
TOTAL PRIVATE EOT G (G)	9.0	18.0	20.5				
<i>RUSSELL 3000 + 300 BP</i>	10.9	22.8	37.4				
TOTAL COMMODITIES (G)	5.6	6.8	-3.2	-7.5			
<i>DJ UBS COMMODITY TR INDEX</i>	7.0	8.1	-2.1	-7.4			
Other							
TOTAL OPPORTUNISTIC (G)	4.7	18.4	22.0	19.2	35.2		

Asset Allocation by Asset Class - (000's)



Market Value: \$661,075

Asset Allocation vs Policy



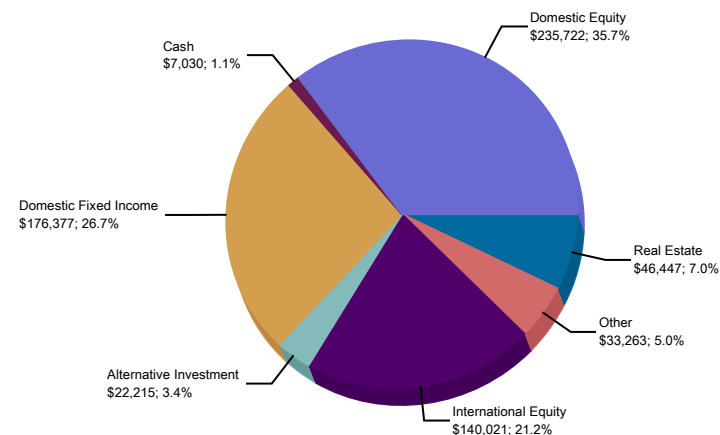
Imperial County Employees' Retirement System

Executive Summary - Net of Fees

Period Ending: March 31, 2014

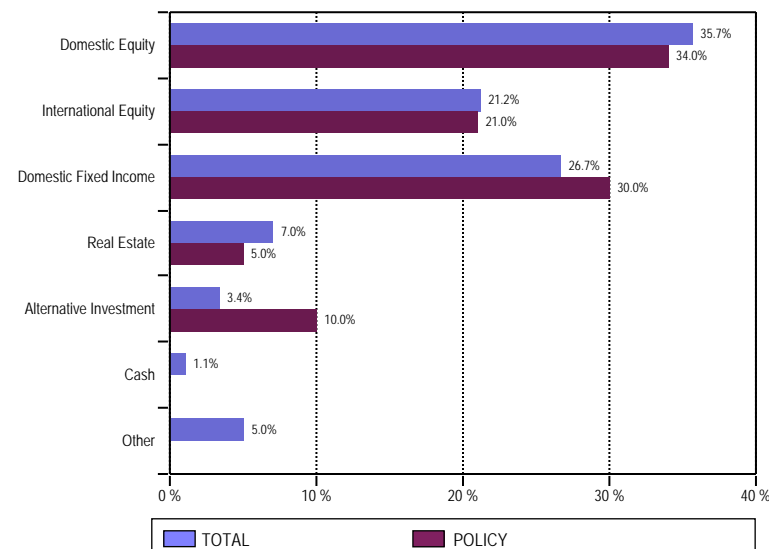
	Quarter Return	FYTD Return	One Yr Return	Three Yrs Return	Five Yrs Return	Ten Yrs Return	15 Yrs Return
Total							
TOTAL FUND w CLIFTON (N)	1.8	12.4	11.4	7.9			
TOTAL FUND x CLIFTON (N)	1.9	12.5	11.5	7.8	14.7	6.9	6.8
POLICY	2.0	11.6	10.7	7.7	14.1	6.4	5.3
Domestic Equity							
TOTAL DOMESTIC EOT (N)	1.8	19.6	22.5	14.5	22.5	8.4	7.1
RUSSELL 3000 INDEX	2.0	19.4	22.6	14.6	21.9	7.9	5.2
International Equity							
TOTAL INTL EOT (N)	0.8	16.2	12.7	3.2	15.7	7.3	6.7
MSCI ACWI ex U.S. GROSS	0.6	16.2	12.8	4.6	16.0	7.6	5.7
Domestic Fixed Income							
TOTAL FIXED INCOME (N)	1.8	3.1	-0.5	4.6	7.1	5.6	6.0
BC AGGREGATE INDEX	1.8	2.3	-0.1	3.7	4.8	4.5	5.4
Real Estate							
TOTAL REAL ESTATE (N)	2.1	8.9	12.4	11.2	6.5		
NCREIF PROPERTY INDEX	2.7	8.1	11.2	11.7	7.9		
Alternative Investment							
TOTAL PRIVATE EOT N (N)	7.9	14.5	15.5	-2.1			
RUSSELL 3000 + 300 BP	10.9	22.8	37.4	19.7			
TOTAL COMMODITIES (N)	5.6	6.7	-3.4	-7.9			
DJ UBS COMMODITY TR INDEX	7.0	8.1	-2.1	-7.4			
Other							
TOTAL OPPORTUNISTIC (N)	4.7	18.4	22.0	18.8	34.6		

Asset Allocation by Asset Class - (000's)



Market Value: \$661,075

Asset Allocation vs Policy



Imperial County Employees' Retirement System

Investment Manager Performance - Gross of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 (Returns for periods greater than one year are annualized)							Calendar Year Returns				
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
Total													
TOTAL FUND w CLIFTON (G)	\$661,075	1.9%	11.7%	8.3%				10/5/2010	14.7%	14.6%	-1.1%		
Ranking -Total Funds - Public Funds Univ.		42nd	64th	75th					58th	17th	87th		
TOTAL FUND x CLIFTON (G)	\$654,684	1.9%	11.8%	8.2%	15.1%	7.3%	9.8%	3/31/1989	14.7%	14.2%	-1.0%	14.7%	25.6%
Ranking -Total Funds - Public Funds Univ.		41st	62nd	76th	35th	34th			58th	22nd	87th	21st	12th
POLICY INDEX		2.0%	10.7%	7.7%	14.1%	6.4%		4/1/1989	13.5%	11.2%	0.5%	13.0%	23.2%
Domestic Equity Manager													
BLACKROCK R1000 IDX (G)	\$168,072 (25.4%)	2.1%	22.4%	14.8%	21.8%	7.9%	10.2%	10/4/2002	33.2%	16.5%	1.6%	16.2%	28.6%
Investment Style:All Cap Core													
Benchmark: RUSSELL 1000 INDEX		2.0%	22.4%	14.7%	21.7%	7.8%	10.1%		33.1%	16.4%	1.5%	16.1%	28.4%
Ranking -Equity Style - Large Core Univ.		50th	52nd	47th	25th	66th			46th	37th	52nd	25th	28th
TIMES SQ MID GW (G)	\$36,230 (5.5%)	1.7%	23.7%	16.1%	23.8%	12.2%	15.3%	3/3/2003	38.7%	20.0%	-0.7%	19.3%	38.5%
Investment Style:Mid Cap Growth													
Benchmark: RUSSELL MID GROWTH INDEX		2.0%	24.2%	13.5%	24.7%	9.5%	12.7%		35.7%	15.8%	-1.7%	26.4%	46.3%
Ranking -Equity Style - Mid Growth Univ.		51st	62nd	11th	44th	10th			28th	14th	48th	92nd	64th
T ROWE SM VAL (G)	\$33,319 (5.0%)	0.9%	23.2%	14.1%	25.1%	10.9%	13.7%	12/1/1995	34.7%	17.1%	1.0%	25.6%	25.9%
Investment Style:Small Cap Value													
Benchmark: RUSSELL 2000 VALUE INDEX		1.8%	22.6%	12.7%	23.3%	8.1%	10.7%		34.5%	18.1%	-5.5%	24.5%	20.6%
Ranking -Equity Style - Small Value Univ.		76th	67th	50th	58th	36th			75th	49th	10th	57th	83rd
International Equity Manager													
BLACKROCK MSCI EAFE (G)	\$42,270 (6.4%)	0.7%	17.9%	7.6%	16.4%	6.9%	9.2%	7/3/2003	23.2%	17.8%	-11.8%	8.1%	32.3%
Investment Style:International Equity													
Benchmark: MSCI EAFE INDEX		0.8%	18.1%	7.7%	16.6%	7.0%	9.3%		23.3%	17.9%	-11.7%	8.2%	32.5%
Ranking -Int'l Developed Market Equity Univ.		48th	61st	61st	60th	65th			55th	69th	46th	70th	53rd
TEMPLETON FORGN PRI (G)	\$64,890 (9.8%)	1.7%	20.9%	7.6%	17.1%	8.8%	9.3%	12/1/1994	20.4%	19.5%	-10.2%	7.5%	34.7%
Investment Style:Large Cap													
Benchmark: MSCI ACWI ex U.S. GROSS		0.6%	12.8%	4.6%	16.0%	7.6%	6.2%		15.8%	17.4%	-13.3%	11.6%	42.1%
Ranking -Int'l Equity (mf) Univ.		21st	19th	28th	29th	18th			50th	34th	19th	73rd	35th

Imperial County Employees' Retirement System

Investment Manager Performance - Gross of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 (Returns for periods greater than one year are annualized)							Calendar Year Returns				
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
DFA EMG VALUE I (G) Investment Style:Emerging Markets Equity <u>Benchmark:</u> MSCI EMER MKTS INDEX Ranking -Emerging Markets Equity (mf) Univ.	\$32,862 (5.0%)	-0.5%	-3.0%	-5.0%	16.0%		4.9%	1/11/2007	-3.2%	20.1%	-25.2%	22.8%	93.3%
		-0.4%	-1.1%	-2.5%	14.8%		4.5%		-2.3%	18.6%	-18.2%	19.2%	79.0%
		23rd	50th	65th	24th				59th	23rd	89th	18th	1st
Domestic Fixed Income Manager													
BRADFORD & MARZEC (G) Investment Style:Domestic Fixed Income <u>Benchmark:</u> BC AGGREGATE INDEX Ranking -Bond Style - Core Plus Univ.	\$82,677 (12.5%)	2.4%	1.6%	5.3%	7.9%	6.1%	7.1%	12/1/1992	-0.4%	8.8%	7.4%	9.6%	13.5%
		1.8%	-0.1%	3.7%	4.8%	4.5%	6.0%		-2.0%	4.2%	7.8%	6.5%	5.9%
		42nd	42nd	48th	57th	25th			49th	46th	15th	47th	77th
PIMCO TOT RT INS (G) Investment Style:Domestic Fixed Income <u>Benchmark:</u> BC AGGREGATE INDEX Ranking -Bond Funds (mf) Univ.	\$81,967 (12.4%)	1.4%	-0.6%	4.7%	7.4%		7.8%	2/28/2009	-1.3%	11.0%	4.7%	9.3%	
		1.8%	-0.1%	3.7%	4.8%		5.0%		-2.0%	4.2%	7.8%	6.5%	
		55th	72nd	22nd	24th				54th	7th	88th	11th	
BLACKROCK US TIPS (G) Investment Style:Real Return <u>Benchmark:</u> BC US TIPS INDEX Ranking -Bond Style - U.S. TIPS (mf) Univ.	\$14,379 (2.2%)	2.0%	-6.4%	3.6%	5.0%		5.4%	4/11/2007	-8.5%	7.1%	13.7%	6.4%	11.4%
		1.9%	-6.5%	3.5%	4.9%		5.3%		-8.6%	7.0%	13.6%	6.3%	11.4%
		24th	46th	5th	21st				48th	23rd	3rd	28th	24th
Real Estate Manager													
1221 STATE ST. CORP (G) Investment Style:Real Estate <u>Benchmark:</u> NA Ranking -NA Univ.	\$1,329 (0.2%)	0.0%	0.0%	-3.6%	-1.0%		-0.7%	9/30/2008	0.0%	0.1%	-9.0%	3.7%	1.1%
ASB REAL ESTATE (G) Investment Style:Real Estate <u>Benchmark:</u> NFI-ODCE INDEX Ranking -Real Estate Funds Univ.	\$22,841 (3.5%)	2.8%	13.9%				13.3%	12/31/2012	13.7%				
		2.5%	13.8%				13.2%		14.0%				
		57th	43rd						37th				

Imperial County Employees' Retirement System

Investment Manager Performance - Gross of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 <small>(Returns for periods greater than one year are annualized)</small>						Calendar Year Returns					
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
CLARION LION (G)	\$22,481 (3.4%)	1.9%	12.7%	12.5%	6.1%		1.8%	12/31/2006	12.8%	10.9%	18.7%	19.4%	-38.7%
Investment Style:Real Estate													
<u>Benchmark:</u> NCREIF PROPERTY INDEX		2.7%	11.2%	11.7%	7.9%		5.4%		11.0%	10.5%	14.3%	13.1%	-16.9%
Ranking -Real Estate Funds Univ.		76th	55th	44th	49th				46th	49th	24th	21st	75th
Alternative Investment Manager													
BLACKROCK COMMDITIES (G)	\$6,999 (1.1%)	7.0%	-2.0%	-7.1%			1.3%	10/9/2009	-9.4%	-0.9%	-12.7%	17.0%	
Investment Style:Commodities													
<u>Benchmark:</u> DJ UBS COMMODITY TR INDEX		7.0%	-2.1%	-7.4%			1.0%		-9.5%	-1.1%	-13.3%	16.8%	
Ranking -NA Univ.													
GRESHAM MTAP COMM (G)	\$15,216 (2.3%)	4.9%					1.5%	8/31/2013					
Investment Style:Commodities													
<u>Benchmark:</u> DJ UBS COMMODITY TR INDEX		7.0%					3.2%						
Ranking -NA Univ.													
Cash Manager													
CASH (G)	\$2,280 (0.3%)	0.0%	0.0%	0.2%					0.0%	0.4%	0.2%		
Investment Style:Cash and Equivalents													
<u>Benchmark:</u> 90-DAY T-BILLS		0.0%	0.1%	0.1%					0.1%	0.1%	0.1%		
Ranking -Cash Funds Univ.		94th	93rd	58th					93rd	29th	32nd		

Imperial County Employees' Retirement System

Investment Manager Performance - Net of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 (Returns for periods greater than one year are annualized)							Calendar Year Returns				
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
Total													
TOTAL FUND w CLIFTON (N)	\$661,075	1.8%	11.4%	7.9%				10/5/2010	14.4%	14.2%	-1.5%		
Ranking -Total Funds - Public Funds Univ.		47th	70th	78th					60th	21st	91st		
TOTAL FUND x CLIFTON (N)	\$654,684	1.9%	11.5%	7.8%	14.7%	6.9%	9.4%	3/31/1989	14.4%	13.8%	-1.4%	14.2%	25.0%
Ranking -Total Funds - Public Funds Univ.		46th	68th	78th	45th	58th			60th	29th	90th	28th	14th
POLICY INDEX		2.0%	10.7%	7.7%	14.1%	6.4%		4/1/1989	13.5%	11.2%	0.5%	13.0%	23.2%
Domestic Equity Manager													
BLACKROCK R1000 IDX (N)	\$168,072 (25.4%)	2.0%	22.4%	14.8%	21.8%	7.8%	10.2%	10/4/2002	33.1%	16.4%	1.5%	16.1%	28.5%
Investment Style:All Cap Core													
Benchmark: RUSSELL 1000 INDEX		2.0%	22.4%	14.7%	21.7%	7.8%	10.1%		33.1%	16.4%	1.5%	16.1%	28.4%
Ranking -Equity Style - Large Core Univ.		50th	53rd	48th	26th	68th			47th	37th	52nd	26th	29th
TIMES SQ MID GW (N)	\$36,230 (5.5%)	1.5%	22.8%	15.4%	23.0%	11.5%	14.6%	3/3/2003	37.8%	19.2%	-1.3%	18.5%	37.7%
Investment Style:Mid Cap Growth													
Benchmark: RUSSELL MID GROWTH INDEX		2.0%	24.2%	13.5%	24.7%	9.5%	12.7%		35.7%	15.8%	-1.7%	26.4%	46.3%
Ranking -Equity Style - Mid Growth Univ.		55th	68th	17th	61st	21st			35th	17th	52nd	95th	67th
T ROWE SM VAL (N)	\$33,319 (5.0%)	0.7%	22.4%	13.3%	24.2%	10.2%	13.0%	12/1/1995	33.8%	16.3%	0.3%	24.8%	25.1%
Investment Style:Small Cap Value													
Benchmark: RUSSELL 2000 VALUE INDEX		1.8%	22.6%	12.7%	23.3%	8.1%	10.7%		34.5%	18.1%	-5.5%	24.5%	20.6%
Ranking -Equity Style - Small Value Univ.		77th	75th	61st	68th	55th			78th	57th	13th	62nd	84th
International Equity Manager													
BLACKROCK MSCI EAFE (N)	\$42,270 (6.4%)	0.7%	17.7%	7.4%	16.2%	6.7%	9.4%	7/3/2003	22.9%	17.6%	-11.9%	7.9%	32.1%
Investment Style:International Equity													
Benchmark: MSCI EAFE INDEX		0.8%	18.1%	7.7%	16.6%	7.0%	9.3%		23.3%	17.9%	-11.7%	8.2%	32.5%
Ranking -Int'l Developed Market Equity Univ.		49th	62nd	64th	64th	70th			57th	71st	47th	72nd	54th
TEMPLETON FORGN PRI (N)	\$64,890 (9.8%)	1.5%	20.1%	6.8%	16.2%	8.0%	8.4%	12/1/1994	19.5%	18.5%	-10.9%	6.7%	33.6%
Investment Style:Large Cap													
Benchmark: MSCI ACWI ex U.S. GROSS		0.6%	12.8%	4.6%	16.0%	7.6%	6.2%		15.8%	17.4%	-13.3%	11.6%	42.1%
Ranking -Int'l Equity (mf) Univ.		23rd	22nd	43rd	42nd	25th			58th	46th	22nd	78th	39th

Imperial County Employees' Retirement System

Investment Manager Performance - Net of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 (Returns for periods greater than one year are annualized)							Calendar Year Returns				
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
DFA EMG VALUE I (N) Investment Style:Emerging Markets Equity <u>Benchmark:</u> MSCI EMER MKTS INDEX Ranking -Emerging Markets Equity (mf) Univ.	\$32,862 (5.0%)	-0.7%	-3.6%	-5.6%	15.3%		4.3%	1/11/2007	-3.8%	19.4%	-25.6%	22.1%	92.3%
		-0.4%	-1.1%	-2.5%	14.8%		4.5%		-2.3%	18.6%	-18.2%	19.2%	79.0%
		26th	57th	73rd	31st				64th	25th	91st	19th	1st
Domestic Fixed Income Manager													
BRADFORD & MARZEC (N) Investment Style:Domestic Fixed Income <u>Benchmark:</u> BC AGGREGATE INDEX Ranking -Bond Style - Core Plus Univ.	\$82,677 (12.5%)	2.3%	1.3%	5.0%	7.6%	5.8%	6.8%	12/1/1992	-0.8%	8.5%	7.1%	9.3%	13.1%
		1.8%	-0.1%	3.7%	4.8%	4.5%	6.0%		-2.0%	4.2%	7.8%	6.5%	5.9%
		48th	52nd	62nd	62nd	37th			63rd	51st	20th	50th	79th
PIMCO TOT RT INS (N) Investment Style:Domestic Fixed Income <u>Benchmark:</u> BC AGGREGATE INDEX Ranking -Bond Funds (mf) Univ.	\$81,967 (12.4%)	1.3%	-1.2%	4.1%	6.9%		7.3%	2/28/2009	-1.9%	10.4%	4.2%	8.8%	
		1.8%	-0.1%	3.7%	4.8%		5.0%		-2.0%	4.2%	7.8%	6.5%	
		58th	82nd	31st	28th				67th	11th	94th	16th	
BLACKROCK US TIPS (N) Investment Style:Real Return <u>Benchmark:</u> BC US TIPS INDEX Ranking -Bond Style - U.S. TIPS (mf) Univ.	\$14,379 (2.2%)	1.9%	-6.5%	3.5%	4.9%		5.4%	4/11/2007	-8.6%	7.0%	13.6%	6.3%	11.3%
		1.9%	-6.5%	3.5%	4.9%		5.3%		-8.6%	7.0%	13.6%	6.3%	11.4%
		25th	47th	8th	22nd				48th	24th	3rd	31st	25th
Real Estate Manager													
1221 STATE ST. CORP (N) Investment Style:Real Estate <u>Benchmark:</u> NA Ranking -NA Univ.	\$1,329 (0.2%)	0.0%	0.0%	-3.6%	-1.0%		-0.7%	9/30/2008	0.0%	0.1%	-9.0%	3.7%	1.1%
ASB REAL ESTATE (N) Investment Style:Real Estate <u>Benchmark:</u> NFI-ODCE INDEX Ranking -Real Estate Funds Univ.	\$22,841 (3.5%)	2.5%	12.8%				12.1%	12/31/2012	12.5%				
		2.5%	13.8%				13.2%		14.0%				
		63rd	54th						48th				

Imperial County Employees' Retirement System

Investment Manager Performance - Net of Fees

Period Ending: March 31, 2014

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2014 <small>(Returns for periods greater than one year are annualized)</small>						Calendar Year Returns					
		Quarter	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2013	2012	2011	2010	2009
CLARION LION (N)	\$22,481 (3.4%)	1.9%	12.0%	11.6%	5.2%		0.8%	12/31/2006	11.8%	9.9%	17.8%	18.2%	-39.2%
Investment Style:Real Estate													
<u>Benchmark:</u> NCREIF PROPERTY INDEX		2.7%	11.2%	11.7%	7.9%		5.4%		11.0%	10.5%	14.3%	13.1%	-16.9%
Ranking -Real Estate Funds Univ.		76th	60th	53rd	56th				55th	58th	26th	23rd	75th
Alternative Investment Manager													
BLACKROCK COMMDITIES (N)	\$6,999 (1.1%)	6.9%	-2.3%	-7.6%			0.8%	10/9/2009	-9.7%	-1.2%	-13.5%	16.6%	
Investment Style:Commodities													
<u>Benchmark:</u> DJ UBS COMMODITY TR INDEX		7.0%	-2.1%	-7.4%			1.0%		-9.5%	-1.1%	-13.3%	16.8%	
Ranking -NA Univ.													
GRESHAM MTAP COMM (N)	\$15,216 (2.3%)	4.9%					1.4%	8/31/2013					
Investment Style:Commodities													
<u>Benchmark:</u> DJ UBS COMMODITY TR INDEX		7.0%					3.2%						
Ranking -NA Univ.													
Cash Manager													
CASH (N)	\$2,280 (0.3%)	0.0%	0.0%	0.2%					0.0%	0.4%	0.2%		
Investment Style:Cash and Equivalents													
<u>Benchmark:</u> 90-DAY T-BILLS		0.0%	0.1%	0.1%					0.1%	0.1%	0.1%		
Ranking -Cash Funds Univ.		94th	93rd	58th					93rd	29th	32nd		

Imperial County Employees' Retirement System

Manager Scorecard Five Years

Period Ending: March 31, 2014

Manager	Return	Index Return	Standard Deviation	Alpha	Beta	Rsqr	Up Market Capture	Down Market Capture	Batting Average	Information Ratio
Domestic Equity										
BLACKROCK R1000 IDX (N)	21.8%	21.7%	16.5	0.02	1.0	1.00	100%	100%	700	0.86
TIMES SQ MID GW (N)	23.0%	24.7%	17.9	0.52	0.9	0.95	88%	93%	500	-0.40
T ROWE SM VAL (N)	24.2%	23.3%	19.2	2.22	0.9	0.96	96%	86%	600	0.22
International Equity										
BLACKROCK MSCI EAFE (N)	16.2%	16.6%	20.6	-0.28	1.0	1.00	99%	101%	0	-6.74
TEMPLETON FORGN PRI (N)	16.2%	16.0%	21.0	0.49	1.0	0.97	98%	97%	550	0.04
DFA EMG VALUE I (N)	15.3%	14.8%	29.7	-1.88	1.2	0.99	122%	116%	500	0.08
Domestic Fixed Income										
BRADFORD & MARZEC (N)	7.6%	4.8%	3.5	3.70	0.8	0.51	148%	46%	850	1.08
PIMCO TOT RT INS (N)	6.9%	4.8%	4.3	2.66	0.9	0.42	143%	103%	750	0.62
BLACKROCK US TIPS (N)	4.9%	4.9%	5.1	-0.04	1.0	1.00	100%	100%	500	-0.12
Real Estate										
CLARION LION (N)	5.2%	7.9%	10.4	-9.60	2.0	0.93	118%	254%	400	-0.48

Imperial County Employees' Retirement System

Illiquid Alternative Investments

Period Ending: March 31, 2014

IRR Analysis as of IRR date

Vintage	Manager	Estimated Market Value as of 3/31/2014 ³	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value	Distrib./ Paid-In (DPI) ¹	Tot. Value/ Paid-In (TVPI) ²	Net IRR Since Inception ⁶	IRR Date
Private Equity												
2011	HarbourVest Partners IX-Buyout Fund L.P.	\$1,830,577	\$10,000,000	\$1,625,000	16%	\$8,375,000	\$49,907	\$1,830,577	3.1%	115.7%	8.1%	9/30/2013
2011	HarbourVest Partners IX-Credit Opportunities Fund L.P.	\$406,915	\$2,000,000	\$340,000	17%	\$1,660,000	\$28,459	\$406,915	8.4%	128.1%	19.4%	9/30/2013
2008	HarbourVest Int'l Private Equity Partners VI-Partnership Fund L.P. ⁷	\$1,498,759	\$3,712,930	\$1,525,531	41%	\$2,187,399	\$69,258	\$1,367,366	4.5%	94.2%	-2.3%	9/30/2013
2011	HarbourVest Partners IX-Venture Fund L.P.	\$1,229,105	\$4,000,000	\$1,080,000	27%	\$2,920,000	\$45,249	\$1,229,105	4.2%	118.0%	9.3%	9/30/2013
2010	KKR Mezzanine Partners I L.P. ⁸	\$5,551,140	\$10,000,000	\$7,818,733	78%	\$2,181,267	\$3,954,169	\$5,551,140	50.6%	121.6%	10.5%	12/31/2013
2011	Pimco Bravo Fund Onshore Feeder I, L.P. ⁵	\$16,486,248	\$10,000,000	\$10,000,000	100%	\$0	\$0	\$16,486,248	0.0%	164.9%	27.1%	3/31/2014

Total Alternative Illiquids \$27,002,745 \$39,712,930 \$22,389,264 56% \$17,323,666 \$4,147,042 \$26,871,351 120.0% 138.5%

% of Portfolio (Market Value) 4.1%

¹(DPI) is equal to (capital returned / capital called)

²(TVPI) is equal to (market value + capital returned) / capital called

³Last known market value + capital calls - distributions (All HarbourVest funds are as of 12/31/2013)

⁴As the partnership is in its first years of operations, the IRR presented is not yet meaningful.

⁵Investment period ended, no further capital to be called.

⁶Gross IRR is calculated on the cash flows of the underlying investments of the fund and is net of the underlying fund fees and carried interest.

⁷Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR figure is provided by its respective manager.

⁸HarbourVest International Private Equity Partners VI-Partnership Fund L.P. values are originally presented in euros and are calculated to dollars using OANDA™.

⁹Remaining commitment including return of unused capital and distributions available for reinvestment would be \$4,505,361

Imperial County Employees' Retirement System

III Liquid Alternative Investments - Fee Page

Period Ending: March 31, 2014

Vintage Manager		Estimated	Total	Capital	%	Remaining	Management	Administration	Interest	Other	Total
Year	Name/Fund Name	Market Value as of 3/31/2014 ¹	Commitment	Called	Called	Commitment	Fee	Fee	Expense	Expense	Expense
Private Equity											
2011	HarbourVest Partners IX-Buyout Fund L.P. ²	\$1,830,577	\$10,000,000	\$1,625,000	16%	\$8,375,000	\$18,705	\$0	\$0	-\$528	\$18,177
2011	HarbourVest Partners IX-Credit Opportunities Fund L.P. ²	\$406,915	\$2,000,000	\$340,000	17%	\$1,660,000	\$3,746	\$0	\$0	-\$131	\$3,615
2008	HarbourVest Int'l Private Equity Partners VI-Partnership Fund L.P. ²	\$1,498,759	\$3,712,930	\$1,525,531	41%	\$2,187,399	\$9,087	\$0	\$0	\$1,093	\$10,180
2011	HarbourVest Partners IX-Venture Fund L.P. ²	\$1,229,105	\$4,000,000	\$1,080,000	27%	\$2,920,000	\$7,565	\$0	\$0	\$1,100	\$8,665
2010	KKR Mezzanine Partners I L.P.	\$5,551,140	\$10,000,000	\$7,818,733	78%	\$2,181,267 ³	-\$11,007	\$0	\$0	\$56,866	\$45,859
2011	Pimco Bravo Fund Onshore Feeder I, L.P.	\$16,486,248	\$10,000,000	\$10,000,000	100%	\$0	\$44,308	\$9,774	\$4,999	\$19,933	\$79,014
							\$72,404	\$9,774	\$4,999	\$78,333	\$165,510

¹12/31 Market Value + 1Q cash flows for HarbourVest funds

²4Q 2013 fee data is reported for all HarbourVest funds

³Remaining commitment including return of unused capital and distributions available for reinvestment would be \$4,505,361

Imperial County Employees' Retirement System

Financial Reconciliation - Three Months Ended

Period Ending: March 31, 2014

<u>Manager</u>	<u>Beginning Market Value</u>	<u>Contributions</u>	<u>Disbursements</u>	<u>Fees</u>	<u>Net Cash Flow</u>	<u>Investment Income</u>	<u>Capital Gain/ Loss</u>	<u>Total Gains/Earnings/ Losses</u>	<u>Ending Market Value</u>
Blackrock Russell 1000 Index	\$164,696,821	\$0	\$0	\$0	\$0	\$0	\$3,375,656	\$3,375,656	\$168,072,476
Times Square Capital	\$35,629,551	\$0	\$0	\$0	\$0	\$62,378	\$537,896	\$600,274	\$36,229,825
T. Rowe Price Associates	\$33,040,390	\$0	\$0	\$0	\$0	\$71,753	\$206,949	\$278,702	\$33,319,092
DFA Emerging Markets	\$33,089,364	\$0	\$0	\$0	\$0	\$0	(\$227,707)	(\$227,707)	\$32,861,657
Blackrock International Equity	\$41,958,812	\$0	\$0	\$0	\$0	\$0	\$311,053	\$311,053	\$42,269,866
Franklin Templeton International Equity	\$64,427,054	\$0	\$0	\$0	\$0	\$0	\$462,627	\$462,627	\$64,889,681
Bradford & Marzec, Inc.	\$80,746,104	\$0	\$0	\$0	\$0	\$790,909	\$1,139,802	\$1,930,711	\$82,676,815
PIMCO Total Return	\$80,915,283	\$0	\$0	\$0	\$0	\$372,180	\$679,934	\$1,052,114	\$81,967,397
Blackrock US TIPS	\$14,102,788	\$0	\$0	\$0	\$0	\$0	\$276,707	\$276,707	\$14,379,495
Clarion Lion Properties	\$22,122,538	\$167,492	(\$223,482)	(\$59,580)	(\$115,570)	\$241,476	\$232,190	\$473,666	\$22,480,634
ICERS State Street Real Estate	\$1,345,770	\$23,883	(\$40,719)	\$0	(\$16,836)	\$5	\$0	\$5	\$1,328,940
ASB Allegiance Real Estate	\$22,230,485	\$0	\$0	\$0	\$0	\$275,850	\$334,702	\$610,552	\$22,841,037
PIMCO BRAVO	\$15,807,041	\$0	\$0	(\$79,014)	(\$79,014)	\$359,657	\$398,564	\$758,221	\$16,486,248
KKR Mezzanine I	\$5,276,367	\$397,419	(\$369,470)	\$11,007	\$38,956	\$222,483	\$13,335	\$235,818	\$5,551,140
Blackrock Global Commodity	\$6,540,074	\$0	\$0	\$0	\$0	\$0	\$459,247	\$459,247	\$6,999,321
Gresham TAP Commodity Builder	\$14,502,347	\$0	\$0	\$0	\$0	\$0	\$713,775	\$713,775	\$15,216,122
HarbourVest International VI*	\$1,153,890	\$111,774	\$0	(\$10,180)	\$101,594	\$0	\$111,882	\$111,882	\$1,367,366
HarbourVest Buyout IX*	\$1,620,594	\$150,000	(\$49,907)	(\$18,177)	\$81,916	\$6,296	\$121,771	\$128,067	\$1,830,577
HarbourVest Credit Opportunities IX*	\$358,308	\$60,000	(\$28,459)	(\$3,615)	\$27,926	\$1,610	\$19,071	\$20,681	\$406,915
HarbourVest Venture IX*	\$767,432	\$400,000	(\$45,249)	(\$8,665)	\$346,086	\$1,976	\$113,611	\$115,587	\$1,229,105
Cash	\$7,440,096	\$156,587	(\$5,316,896)	\$0	(\$5,160,308)	\$60	\$0	\$60	\$2,279,847
The Clifton Group	\$6,391,580	\$0	\$0	\$0	\$0	\$158	\$0	\$158	\$6,391,739
Totals	\$654,162,689	\$1,467,155	(\$6,074,181)	(\$168,224)	(\$4,775,250)	\$2,406,791	\$9,281,065	\$11,687,855	\$661,075,294

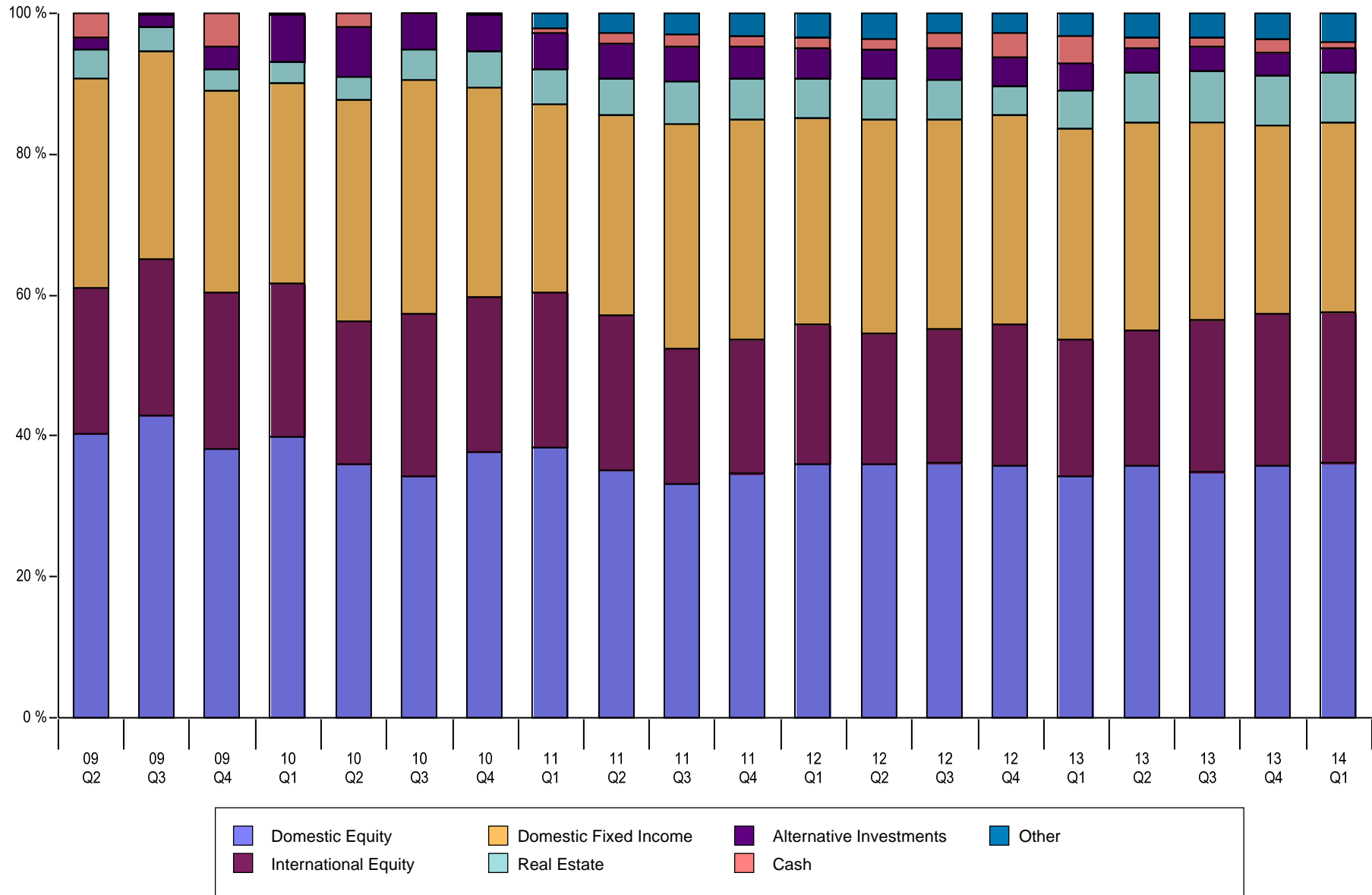
* 4Q 2013 data

** Fees for Clarion and HarbourVest accounts are not included in the Portfolio Reconciliation page at beginning of report

Imperial County Employees' Retirement System

Asset Allocation History Chart

Period Ending: March 31, 2014

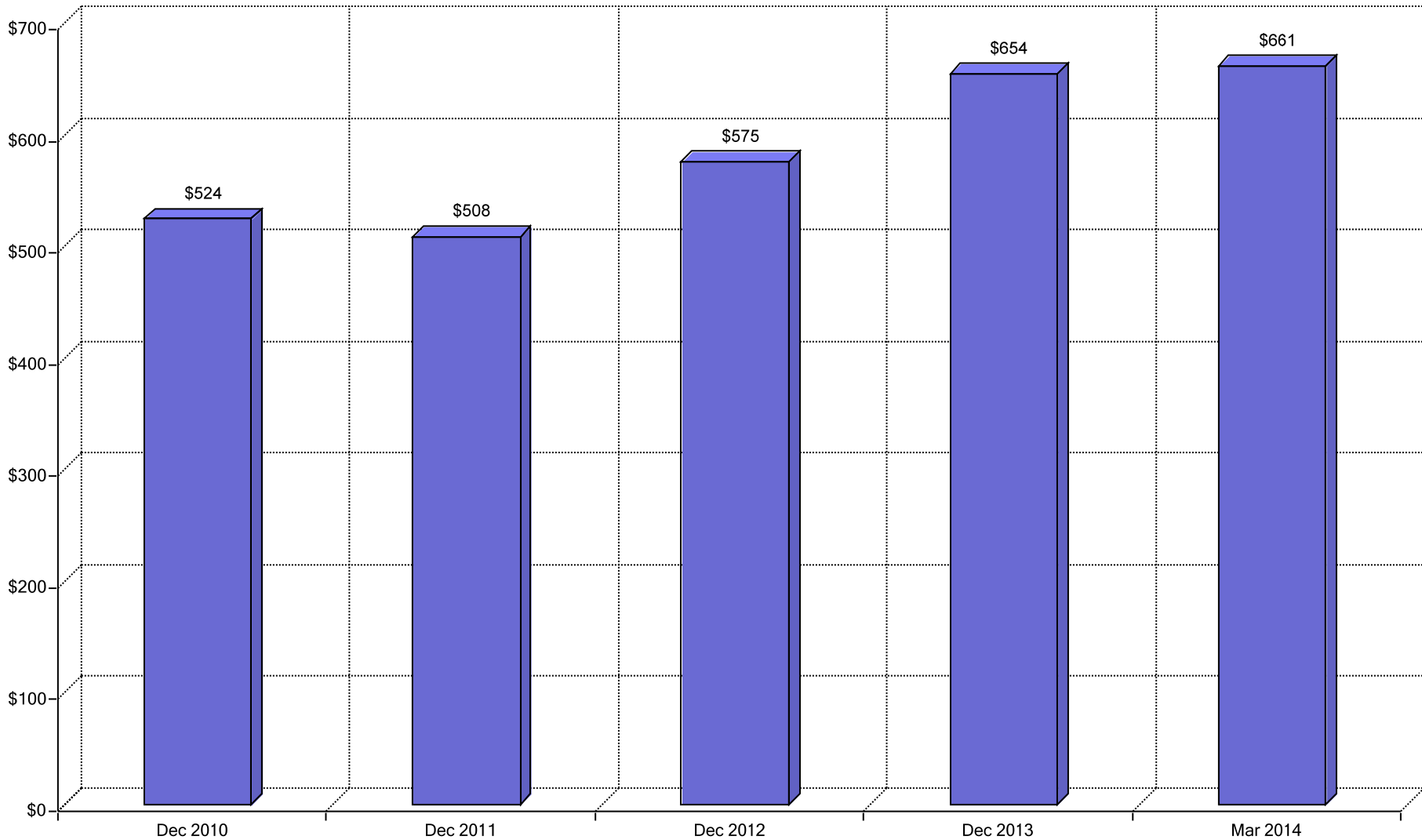


Imperial County Employees' Retirement System

Fund Growth

Period Ending: March 31, 2014

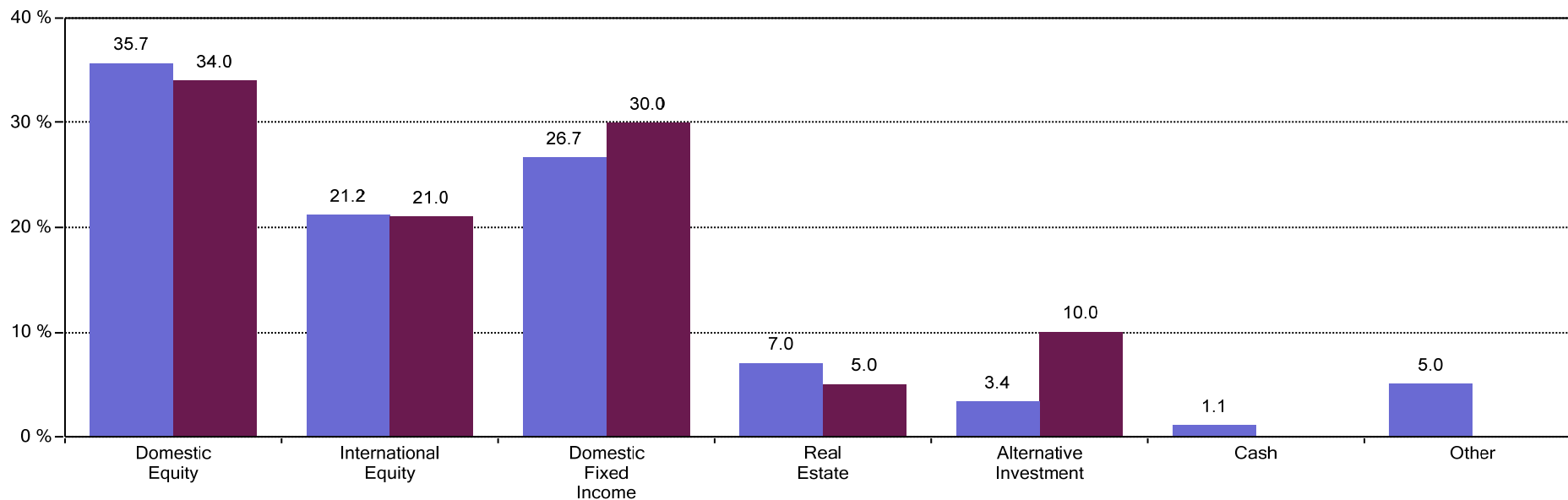
GROWTH
(\$ Millions)



Imperial County Employees' Retirement System

Asset Class Allocation: Total Fund vs Policy

Period Ending: March 31, 2014



Legend: ■ TOTAL FUND w CLIFTON ■ POLICY

TOTAL FUND w CLIFTON

Segment	Market Value	Allocation
Domestic Equity	235,722	35.66%
International Equity	140,021	21.18%
Domestic Fixed Income	176,377	26.68%
Real Estate	46,447	7.03%
Alternative Investment	22,215	3.36%
Cash	7,030	1.06%
Other	33,263	5.03%
Total:	661,075	100.00%

Difference

Segment	Market Value	Allocation
Domestic Equity	10,956	1.66%
International Equity	1,195	0.18%
Domestic Fixed Income	-21,946	-3.32%
Real Estate	13,393	2.03%
Alternative Investment	-43,892	-6.64%
Cash	7,030	1.06%
Other	33,263	5.03%

POLICY

Segment	Rebalanced Value	Allocation
Domestic Equity	224,766	34.00%
International Equity	138,826	21.00%
Domestic Fixed Income	198,323	30.00%
Real Estate	33,054	5.00%
Alternative Investment	66,108	10.00%
Cash		
Other		
Total:	661,075	100.00%

Note: All values are expressed in thousands.

Imperial County Employees' Retirement System

Asset Allocation by Manager

Period Ending: March 31, 2014

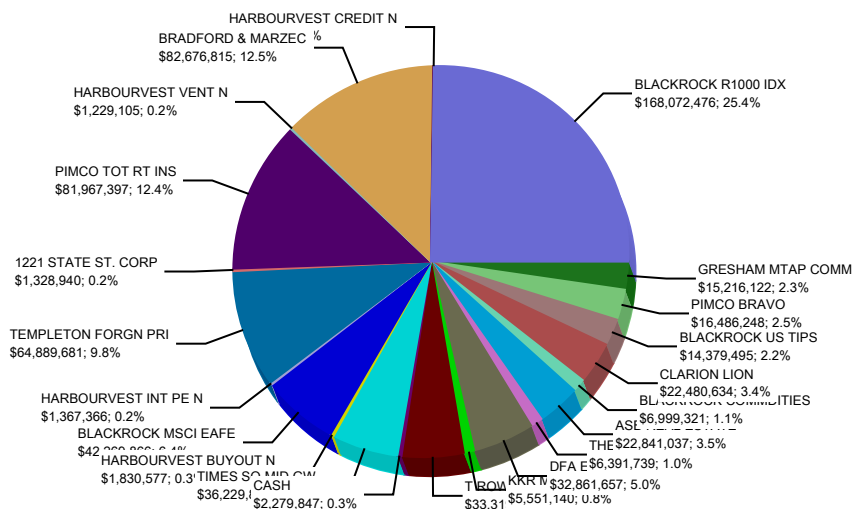
Management Firm	Equity		Fixed Income		Cash		Real Estate		Other		Total	
	Value	Alloc.	Value	Alloc.	Value	Alloc.	Value	Alloc.	Value	Alloc.	Value	Alloc.
Alternative Investment												
BLACKROCK COMMDITIES									6,999	100.0%	6,999	1.1%
GRESHAM MTAP COMM									15,216	100.0%	15,216	2.3%
HARBOURVEST BUYOUT N									1,831	100.0%	1,831	0.3%
HARBOURVEST CREDIT N									407	100.0%	407	0.1%
HARBOURVEST INT PE N									1,367	100.0%	1,367	0.2%
HARBOURVEST VENT N									1,229	100.0%	1,229	0.2%
Cash												
CASH					2,280	100.0%					2,280	0.3%
THE CLIFTON GROUP									6,392	100.0%	6,392	1.0%
Domestic Equity												
BLACKROCK R1000 IDX	168,072	100.0%									168,072	25.4%
T ROWE SM VAL	32,477	97.5%			842	2.5%					33,319	5.0%
TIMES SQ MID GW	35,172	97.1%			1,058	2.9%					36,230	5.5%
Domestic Fixed Income												
BLACKROCK US TIPS			14,379	100.0%							14,379	2.2%
BRADFORD & MARZEC			80,030	96.8%	2,647	3.2%					82,677	12.5%
PIMCO TOT RT INS			81,967	100.0%							81,967	12.4%
International Equity												
BLACKROCK MSCI EAFE	42,270	100.0%									42,270	6.4%
DFA EMG VALUE I	32,862	100.0%									32,862	5.0%
TEMPLETON FORGN PRI	64,890	100.0%									64,890	9.8%
Other												
KKR MEZZANINE I									5,551	100.0%	5,551	0.8%
PIMCO BRAVO									16,486	100.0%	16,486	2.5%
Real Estate												
1221 STATE ST. CORP					204	15.3%	1,125	84.7%			1,329	0.2%
ASB REAL ESTATE							22,841	100.0%			22,841	3.5%
CLARION LION							22,481	100.0%			22,481	3.4%
Total Fund	375,743	56.8%	176,377	26.7%	7,030	1.1%	46,447	7.0%	55,479	8.4%	661,075	100.0%

Imperial County Employees' Retirement System

Asset Allocation By Segment and Account

Period Ending: March 31, 2014

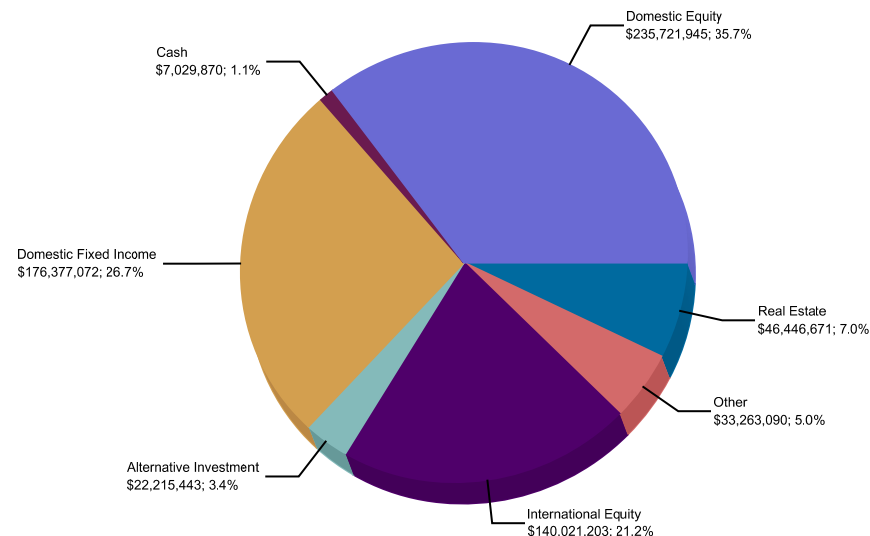
Asset Allocation By Account



Investment Accounts

HARBOURVEST CREDIT N	\$406,915
HARBOURVEST VENT N	\$1,229,105
1221 STATE ST. CORP	\$1,328,940
HARBOURVEST INT PE N	\$1,367,366
HARBOURVEST BUYOUT N	\$1,830,577
CASH	\$2,279,847
KKR MEZZANINE I	\$5,551,140
THE CLIFTON GROUP	\$6,391,739
BLACKROCK COMMUNITIES	\$6,999,321
BLACKROCK US TIPS	\$14,379,495
GRESHAM MTAP COMM	\$15,216,122
PIMCO BRAVO	\$16,486,248
CLARION LION	\$22,480,634
ASB REAL ESTATE	\$22,841,037
DFA EMG VALUE I	\$32,861,657
T ROWE SM VAL	\$33,319,092
TIMES SQ MID GW	\$36,229,825
BLACKROCK MSCI EAFE	\$42,269,866
TEMPLETON FORGN PRI	\$64,889,681
PIMCO TOT RT INS	\$81,967,397
BRADFORD & MARZEC	\$82,676,815

Asset Allocation By Segment



Asset Allocation

Domestic Equity	\$235,721,945
Domestic Fixed Income	\$176,377,072
Cash	\$7,029,870
Real Estate	\$46,446,671
International Equity	\$140,021,203
Other	\$33,263,090
Alternative Investment	\$22,215,443
Total	\$661,075,294

Imperial County Employees' Retirement System

Asset Allocation By Segment and Account

Period Ending: March 31, 2014

BLACKROCK R1000 IDX

\$168,072,476

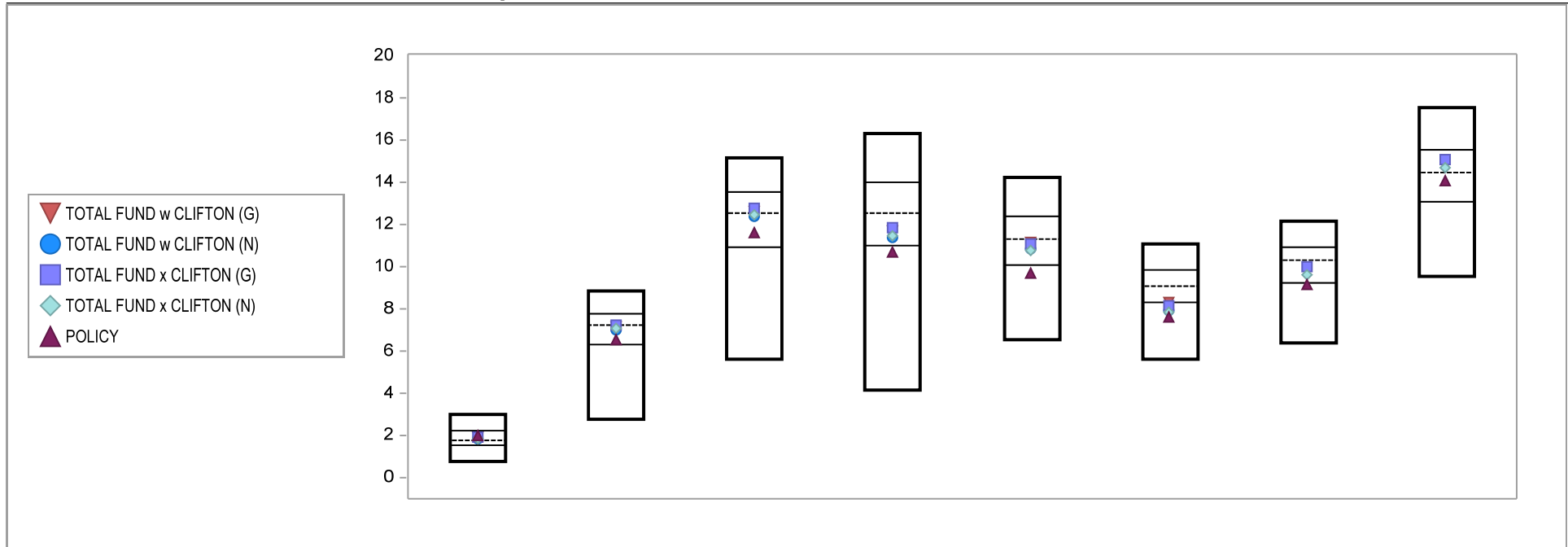
Total

\$661,075,294

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

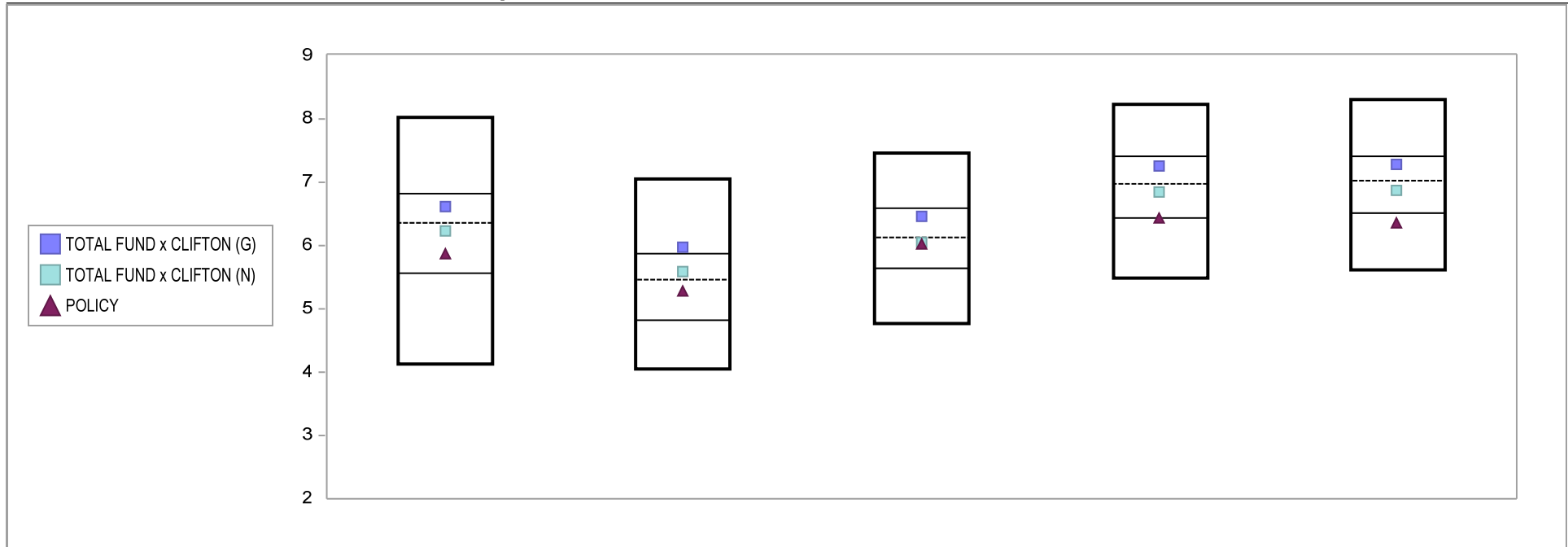


Total Funds - Public Funds	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	3.0		8.8		15.1		16.3		14.2		11.1		12.2		17.6	
25th Percentile	2.2		7.8		13.6		14.0		12.4		9.8		10.9		15.5	
50th Percentile	1.8		7.2		12.6		12.6		11.3		9.1		10.3		14.5	
75th Percentile	1.6		6.3		11.0		11.0		10.1		8.3		9.3		13.1	
95th Percentile	0.8		2.8		5.6		4.1		6.5		5.6		6.4		9.5	
TOTAL FUND w CLIFTON (G)	1.9	42	7.1	52	12.6	49	11.7	64	11.2	52	8.3	75				
TOTAL FUND w CLIFTON (N)	1.8	47	7.0	57	12.4	53	11.4	70	10.8	59	7.9	78				
TOTAL FUND x CLIFTON (G)	1.9	41	7.2	50	12.8	45	11.8	62	11.1	54	8.2	76	10.0	58	15.1	35
TOTAL FUND x CLIFTON (N)	1.9	46	7.0	55	12.5	51	11.5	68	10.7	61	7.8	78	9.6	67	14.7	45
POLICY	2.0	37	6.5	69	11.6	65	10.7	76	9.7	77	7.7	80	9.2	76	14.1	57

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

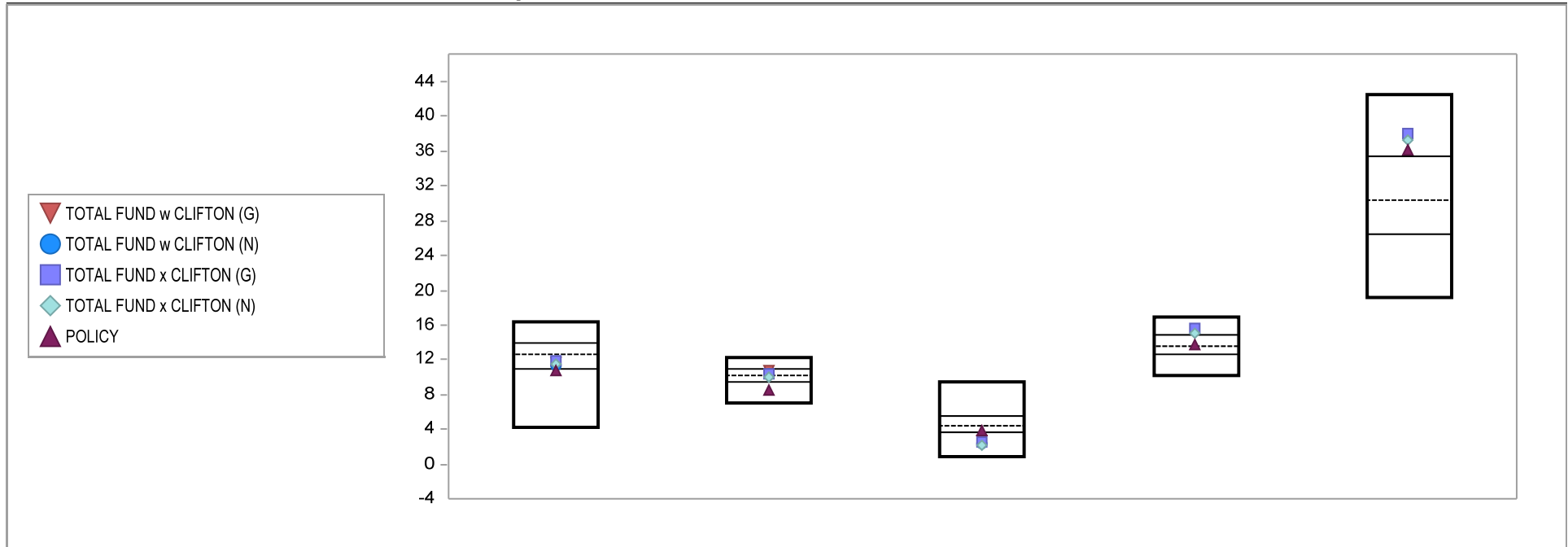


Total Funds - Public Funds	Six Years		Seven Years		Eight Years		Nine Years		Ten Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	8.0		7.0		7.5		8.2		8.3	
25th Percentile	6.8		5.9		6.6		7.4		7.4	
50th Percentile	6.4		5.5		6.1		7.0		7.0	
75th Percentile	5.6		4.8		5.6		6.4		6.5	
95th Percentile	4.1		4.0		4.8		5.5		5.6	
TOTAL FUND x CLIFTON (G)	6.6	37	6.0	23	6.5	31	7.3	33	7.3	34
TOTAL FUND x CLIFTON (N)	6.2	54	5.6	42	6.1	53	6.8	56	6.9	58
POLICY	5.9	66	5.3	57	6.0	54	6.4	75	6.4	78

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

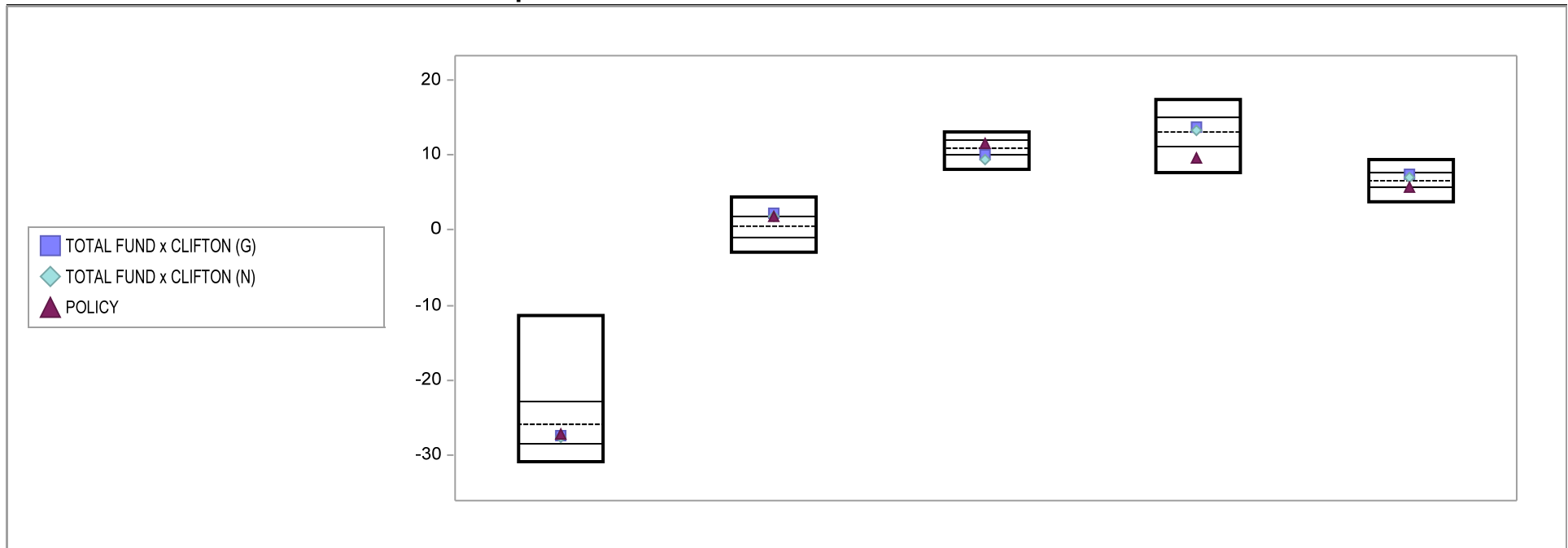


Total Funds - Public Funds	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	16.3		12.3		9.4		16.8		42.6	
25th Percentile	14.0		11.0		5.5		14.9		35.5	
50th Percentile	12.6		10.2		4.3		13.6		30.4	
75th Percentile	11.0		9.4		3.6		12.6		26.4	
95th Percentile	4.1		7.1		0.9		10.2		19.2	
TOTAL FUND w CLIFTON (G)	11.7	64	10.7	36	2.7	82				
TOTAL FUND w CLIFTON (N)	11.4	70	10.3	47	2.3	85				
TOTAL FUND x CLIFTON (G)	11.8	62	10.4	46	2.6	82	15.6	18	37.9	18
TOTAL FUND x CLIFTON (N)	11.5	68	10.0	56	2.2	85	15.1	22	37.4	20
POLICY	10.7	76	8.6	82	3.8	69	13.8	46	36.2	23

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

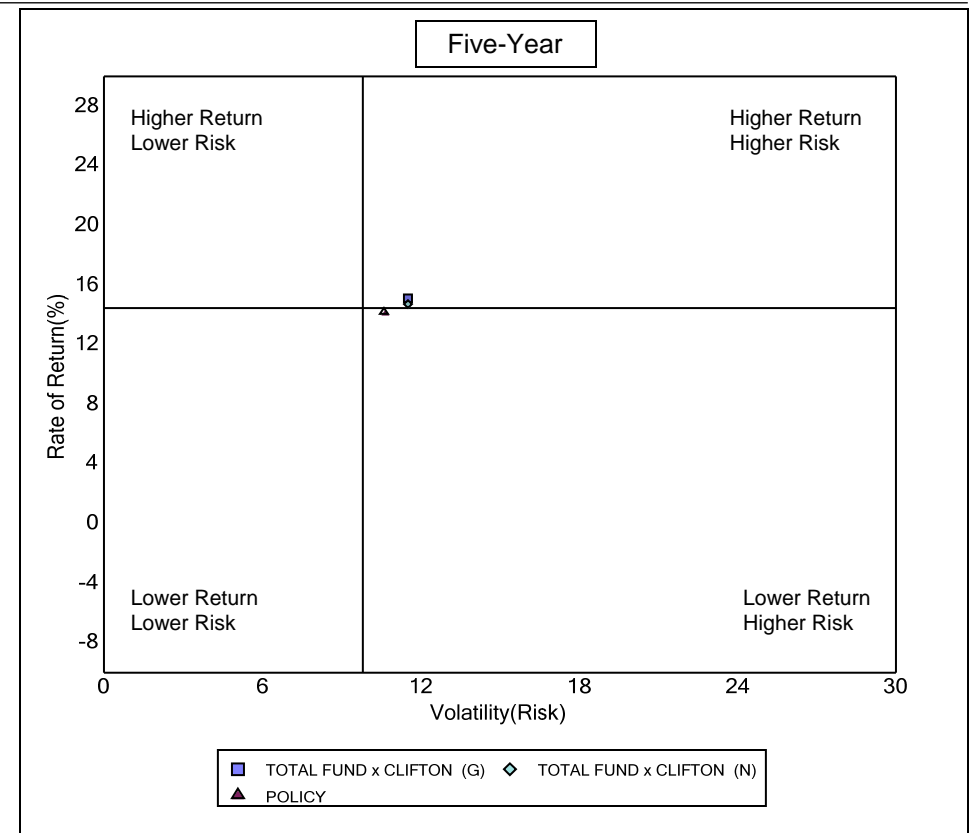
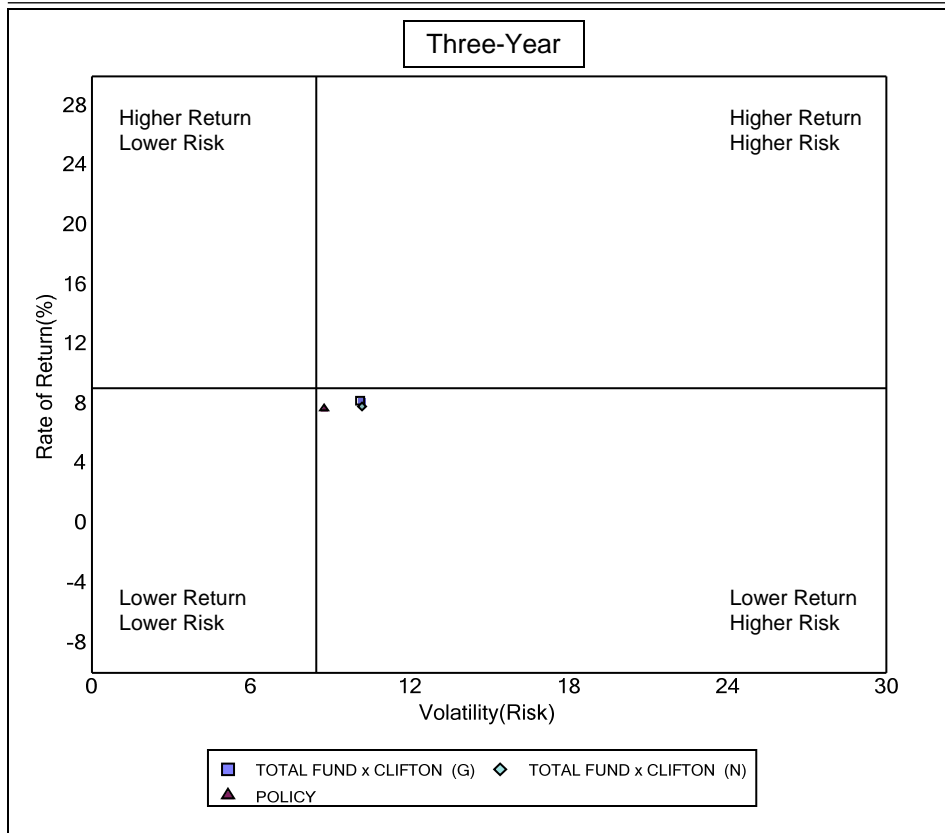


Total Funds - Public Funds	March 2009 Return Rank	March 2008 Return Rank	March 2007 Return Rank	March 2006 Return Rank	March 2005 Return Rank
5th Percentile	-11.3	4.5	13.0	17.4	9.4
25th Percentile	-22.8	1.7	11.9	15.0	7.6
50th Percentile	-25.9	0.4	10.9	13.0	6.6
75th Percentile	-28.5	-1.0	10.1	11.2	5.7
95th Percentile	-30.8	-3.0	8.2	7.7	3.7
TOTAL FUND x CLIFTON (G)	-27.3 64	2.3 21	9.9 76	13.8 40	7.5 28
TOTAL FUND x CLIFTON (N)	-27.6 66	1.9 24	9.4 81	13.3 46	7.0 39
POLICY	-27.2 62	1.8 25	11.6 34	9.6 84	5.8 73

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
8.2	10.2	0.8
7.8	10.2	0.8
7.7	8.8	0.9
9.1	8.5	1.1

Category

TOTAL FUND x CLIFTON (G)
TOTAL FUND x CLIFTON (N)
POLICY
Total Funds - Public Funds Universe Median

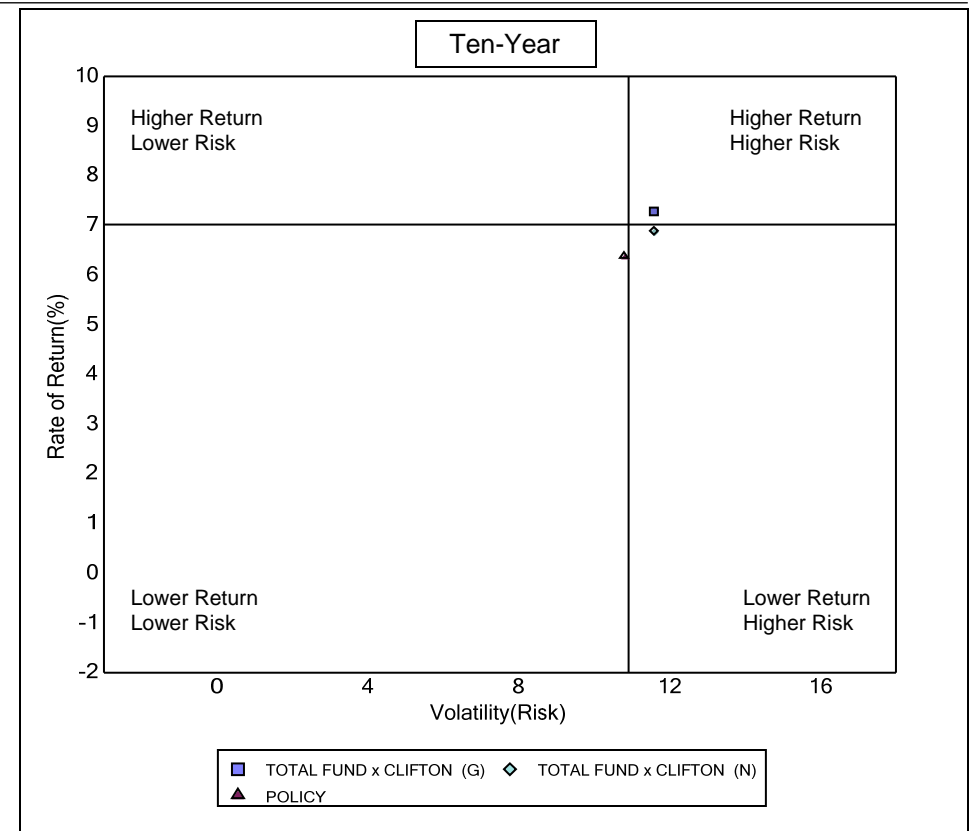
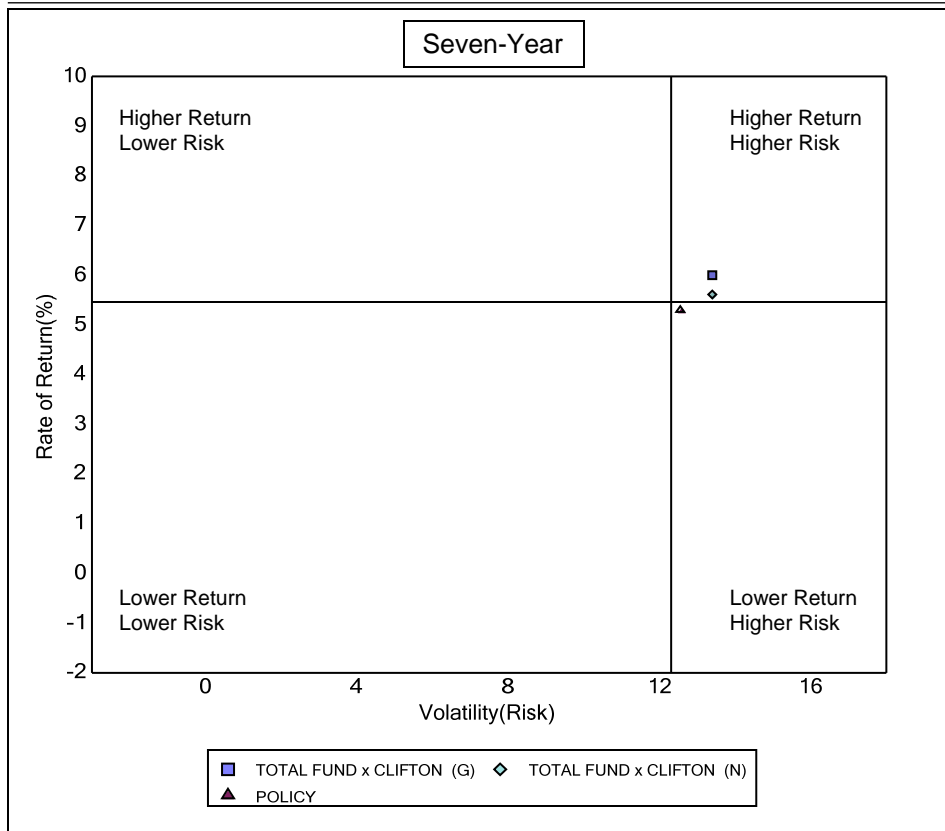
Five Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
15.1	11.5	1.3
14.7	11.5	1.3
14.1	10.7	1.3
14.5	9.8	1.5

Imperial County Employees' Retirement System

Risk vs Return Seven & Ten Year

Period Ending: March 31, 2014



Seven Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
6.0	13.4	0.4
5.6	13.4	0.4
5.3	12.6	0.4
5.5	12.3	0.4

Category

TOTAL FUND x CLIFTON (G)
TOTAL FUND x CLIFTON (N)
POLICY
Total Funds - Public Funds Universe Median

Ten Year Return vs Risk

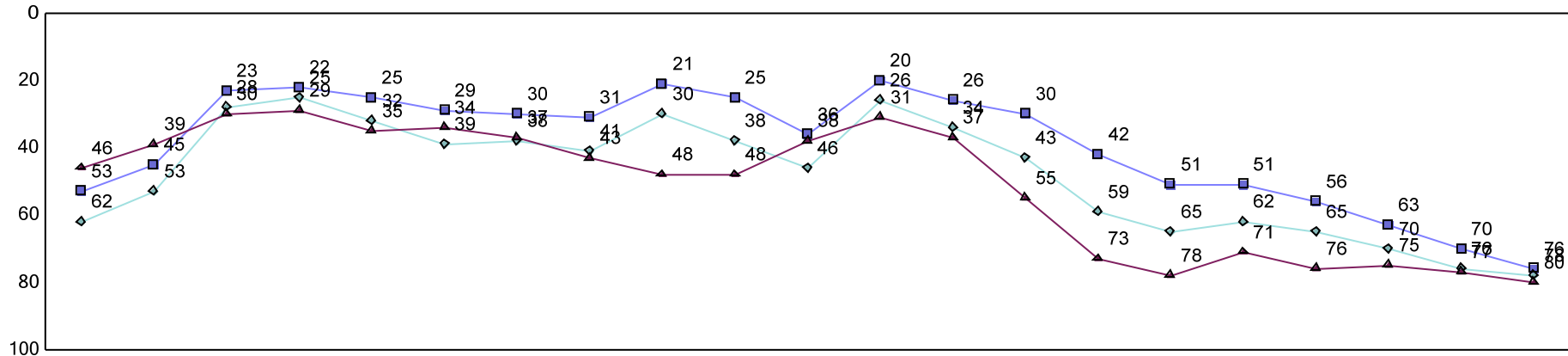
Annualized Return %	Standard Deviation %	Sharpe Ratio
7.3	11.6	0.5
6.9	11.6	0.5
6.4	10.8	0.4
7.0	10.9	0.5

Imperial County Employees' Retirement System

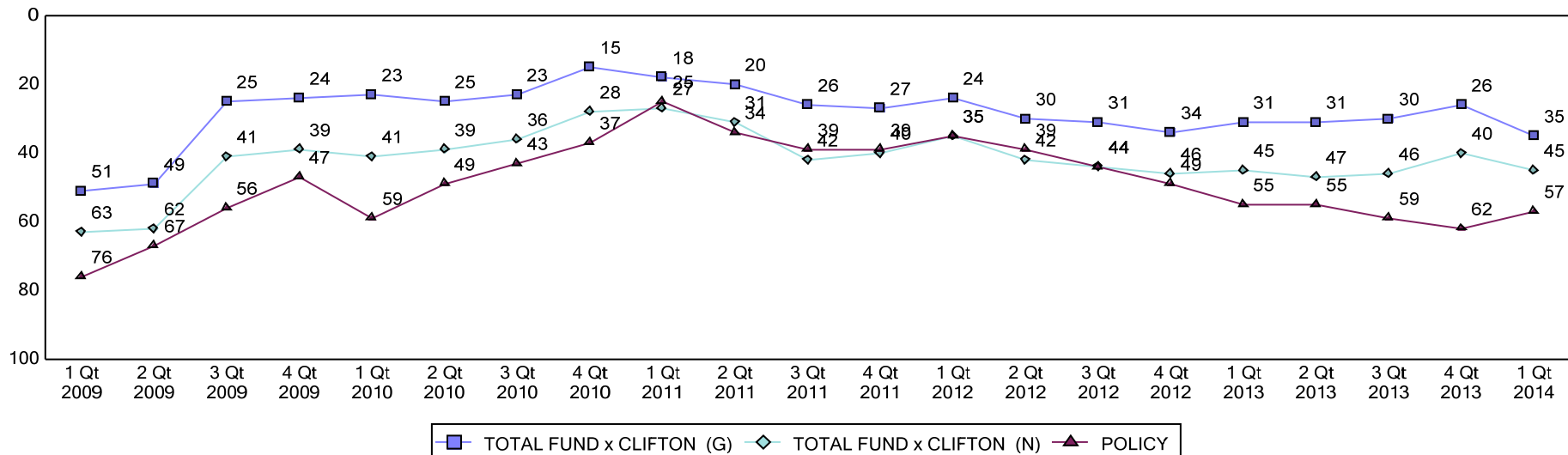
Rolling Return Ranking 3 & 5 Years

Period Ending: March 31, 2014

Ranking Comparisons - Rolling 3 Years



Ranking Comparisons - Rolling 5 Years

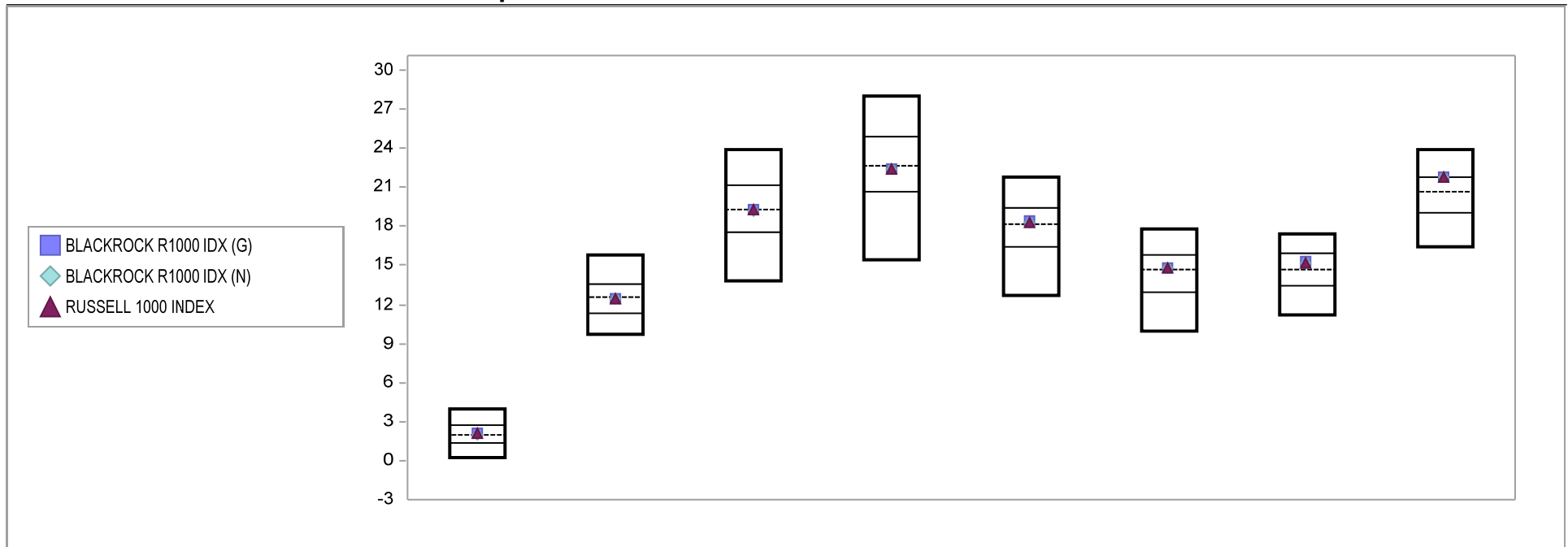


Note: data is ranked against the Total Funds - Public Funds Universe

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014



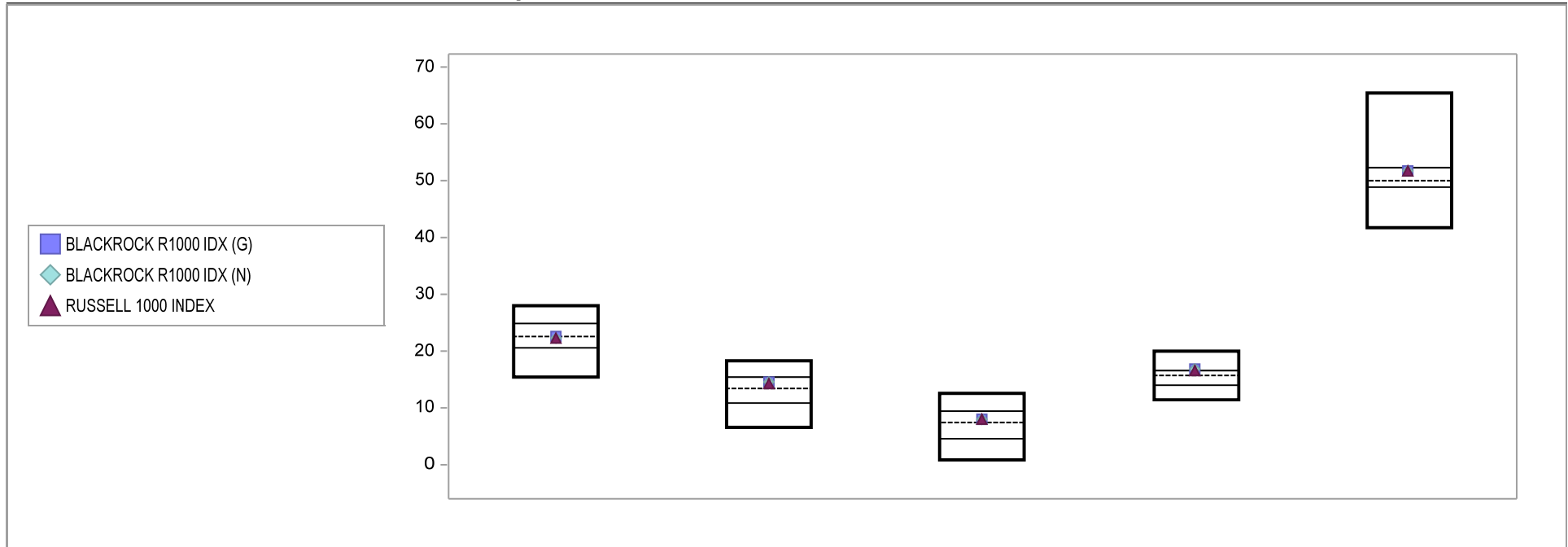
Equity Style - Large Core

	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years		
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
5th Percentile			4.0		15.8		23.9		28.1		21.8		17.8		17.5		23.9
25th Percentile			2.8		13.6		21.2		24.9		19.5		15.8		16.0		21.8
50th Percentile			2.0		12.5		19.3		22.6		18.2		14.6		14.7		20.6
75th Percentile			1.3		11.3		17.6		20.7		16.4		13.0		13.5		19.1
95th Percentile			0.3		9.7		13.8		15.5		12.7		9.9		11.2		16.4
BLACKROCK R1000 IDX (G)	2.1	50	12.5	50	19.3	51	22.4	52	18.4	47	14.8	47	15.3	38	21.8	25	
BLACKROCK R1000 IDX (N)	2.0	50	12.4	51	19.2	52	22.4	53	18.3	48	14.8	48	15.2	39	21.8	26	
RUSSELL 1000 INDEX	2.0	50	12.5	51	19.3	51	22.4	52	18.4	48	14.7	48	15.2	39	21.7	26	

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

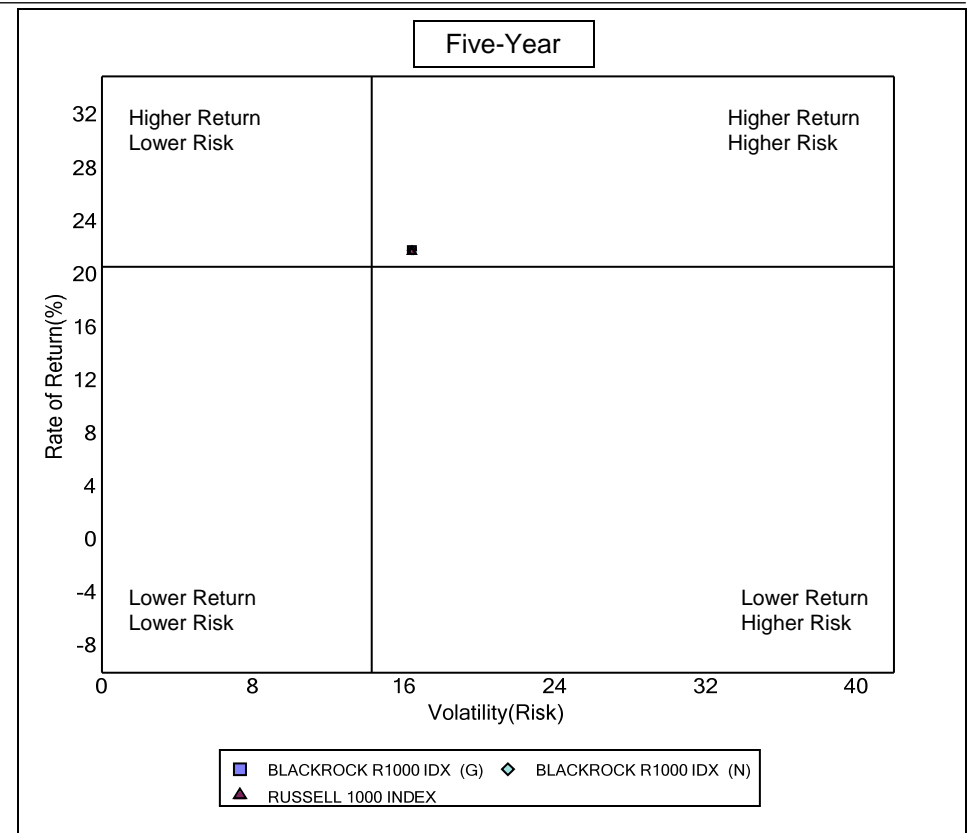
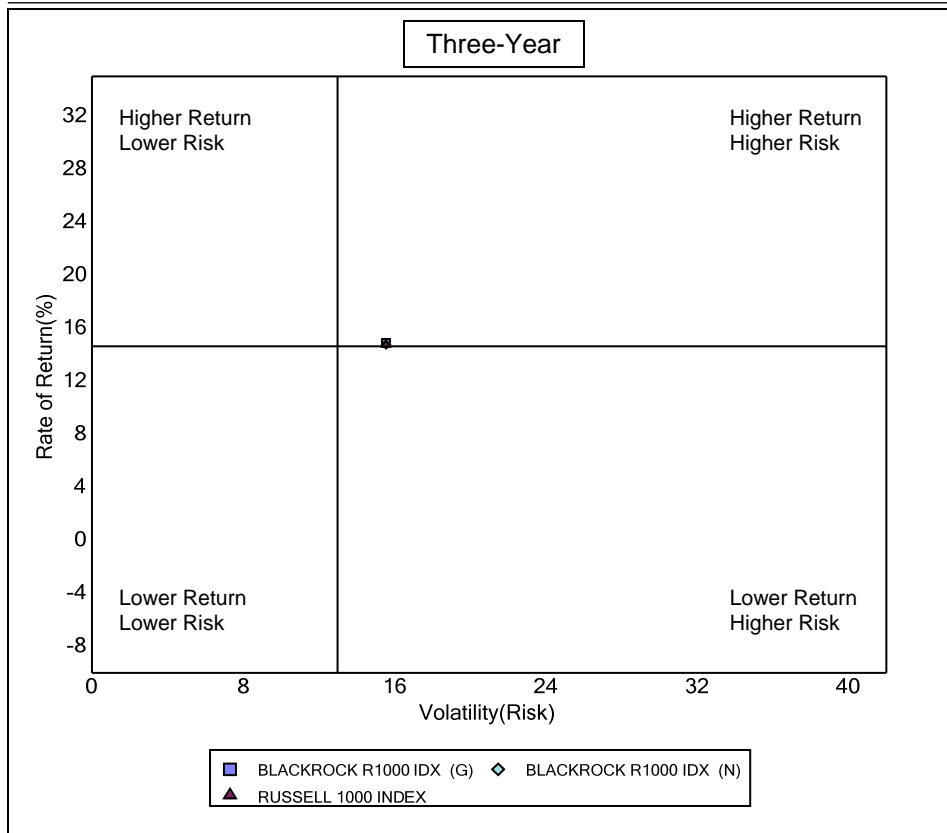


Equity Style - Large Core	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	28.1		18.4		12.5		20.0		65.3	
25th Percentile	24.9		15.4		9.3		16.7		52.3	
50th Percentile	22.6		13.4		7.6		15.7		50.0	
75th Percentile	20.7		10.9		4.7		14.0		48.9	
95th Percentile	15.5		6.4		1.0		11.5		41.6	
BLACKROCK R1000 IDX (G)	22.4	52	14.5	37	7.9	45	16.8	24	51.7	31
BLACKROCK R1000 IDX (N)	22.4	53	14.4	37	7.9	45	16.7	25	51.7	32
RUSSELL 1000 INDEX	22.4	52	14.4	38	7.9	46	16.7	25	51.6	33

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
14.8	15.6	0.9
14.8	15.6	0.9
14.6	13.0	1.1
14.7	15.6	0.9

Category

BLACKROCK R1000 IDX (G)
BLACKROCK R1000 IDX (N)
Equity Style - Large Core Universe Median
RUSSELL 1000 INDEX

Five Year Return vs Risk

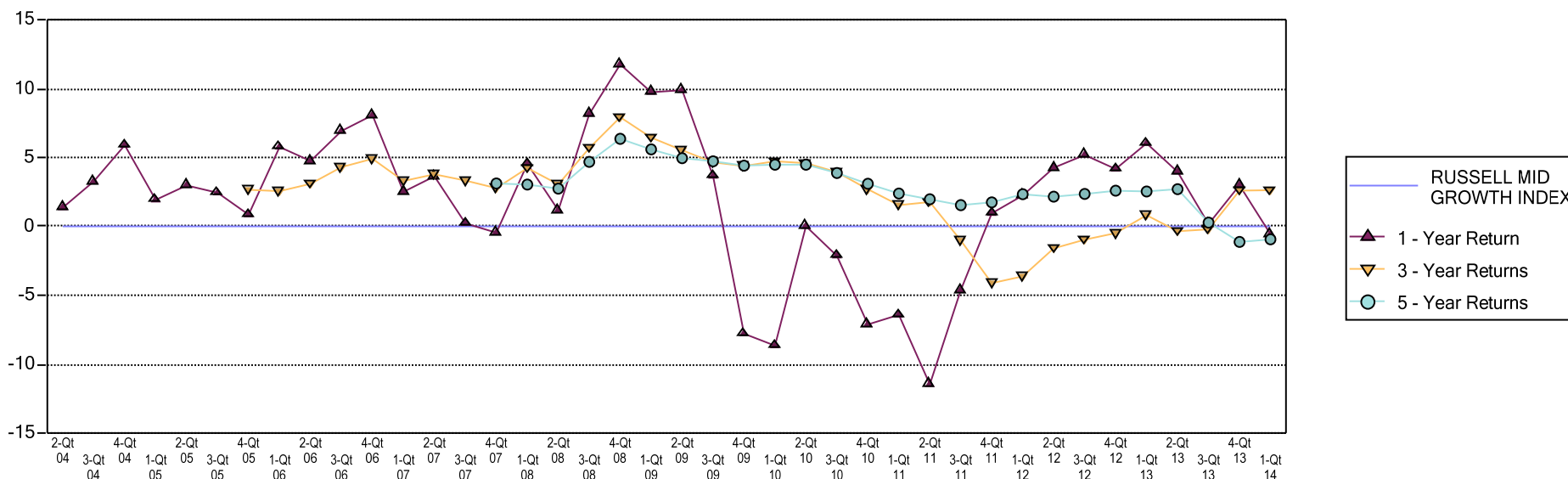
Annualized Return %	Standard Deviation %	Sharpe Ratio
21.8	16.5	1.3
21.8	16.5	1.3
20.6	14.3	1.4
21.7	16.5	1.3

Imperial County Employees' Retirement System

Performance Review Summary

Period Ending: March 31, 2014

TIMES SQ MID GW vs RUSSELL MID GROWTH INDEX - Rolling Returns



Performance & Risk Measures	One Qtr		One Year		Three Years		Five Years		Ten Years		Standard Deviation		Sharpe Ratio		Beta		Information Ratio		Tracking Error		Alpha	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yr	5-Yr	3-Yr	5-Yr
TIMES SQ MID GW	1.7	51	23.7	62	16.1	11	23.8	44	12.2	10	19.1	17.9	0.8	1.3	1.0	0.9	0.7	-0.2	3.6	4.3	2.1	1.2
RUSSELL MID GROWTH INDEX	2.0	42	24.2	58	13.5	43	24.7	31	9.5	72	18.3	19.2	0.7	1.3								
Equity Style - Mid Growth	1.7		25.3		13.1		23.4		10.3		16.3	17.2	0.8	1.4			-0.3	-0.6	1.7	2.1		

Attribution			
Sector	Stock	Industry	Total
Energy	0.2	0.0	0.2
Materials	-0.2	0.0	-0.2
Industrials	0.0	0.0	0.0
Consumer Discretionary	0.1	-0.1	0.0
Consumer Staples	-0.4	0.0	-0.4
Health Care	0.4	-0.2	0.2
Financials	0.2	-0.2	0.0
Information Technology	0.0	0.0	0.0
Telecommunications Services	0.0	0.0	0.0
Utilities	0.0	-0.1	-0.1

Sector Weights		
Sector	Portfolio	Benchmark
Energy	5.8	6.3
Materials	4.2	5.9
Industrials	12.4	15.1
Consumer Discretionary	29.1	24.7
Consumer Staples	6.0	8.2
Health Care	9.8	13.5
Financials	18.5	8.8
Information Technology	14.2	16.3
Telecommunications Services		0.7
Utilities		0.4

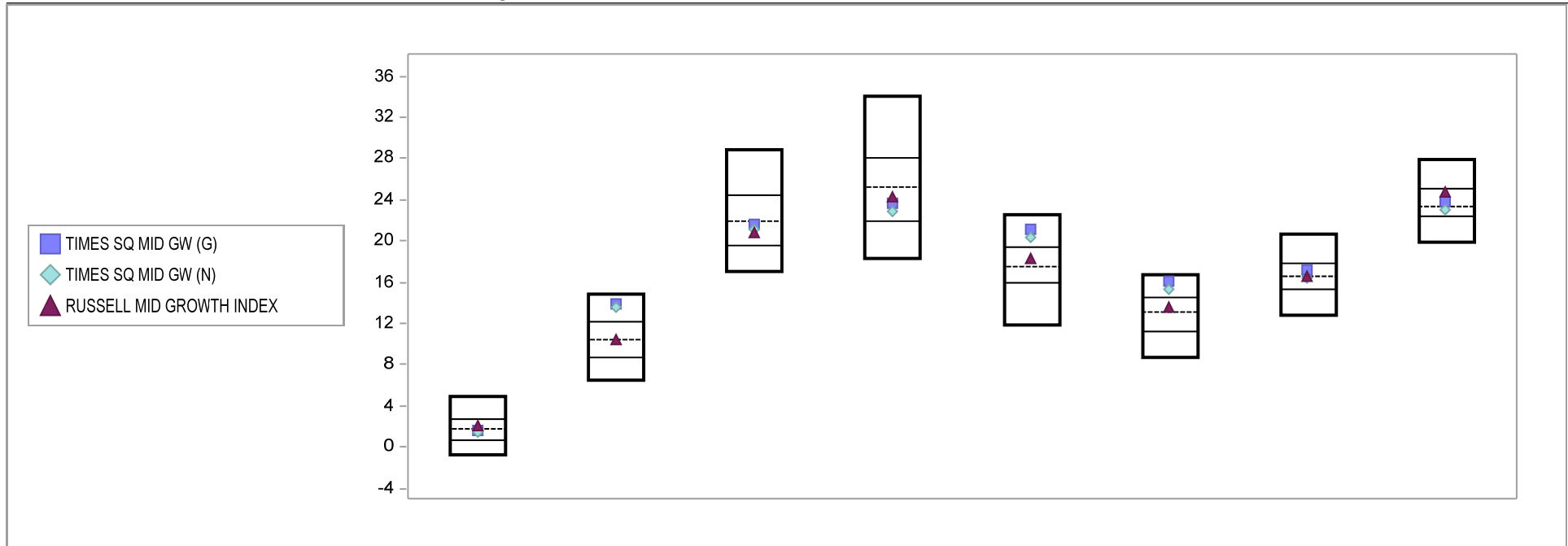
Portfolio Characteristics		
	Portfolio	Benchmark
Average Market Cap (M)	\$9,756	\$12,791
Median Market Cap (M)	\$8,073	\$6,510
P/E	26.1	26.9
P/B	4.8	4.9
Dividend Yield	0.8	1.1
Earnings Growth	15.4	16.8
Benchmark	RUSSELL MID GROWTH INDEX	
Total Assets	\$36,230	5.5% of Total Fund

Return Based Beta - Beta is calculated based on returns

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

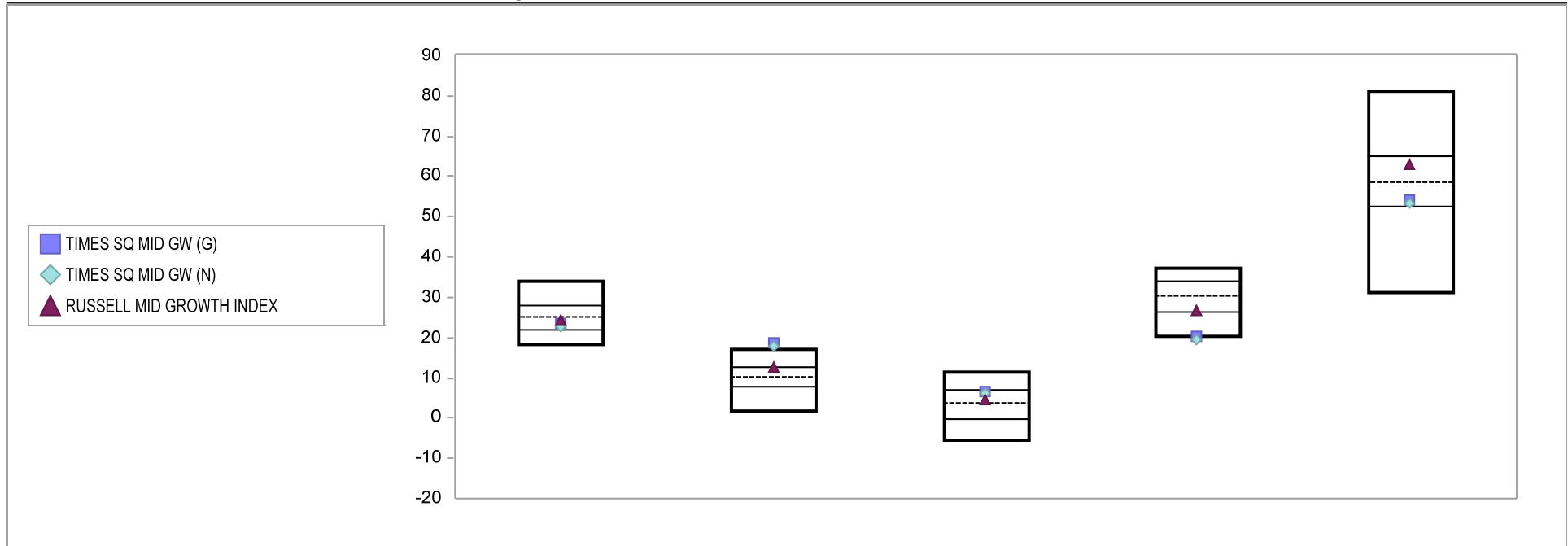


Equity Style - Mid Growth	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	4.9		14.8		28.8		34.0		22.5		16.8		20.6		27.9	
25th Percentile	2.8		12.2		24.4		28.1		19.5		14.6		17.8		25.1	
50th Percentile	1.7		10.5		22.0		25.3		17.5		13.1		16.6		23.4	
75th Percentile	0.7		8.7		19.6		21.9		16.0		11.2		15.4		22.5	
95th Percentile	-0.7		6.5		17.0		18.3		11.8		8.8		12.9		19.9	
TIMES SQ MID GW (G)	1.7	51	13.9	12	21.7	53	23.7	62	21.2	14	16.1	11	17.1	39	23.8	44
TIMES SQ MID GW (N)	1.5	55	13.5	15	21.1	59	22.8	68	20.4	19	15.4	17	16.4	55	23.0	61
RUSSELL MID GROWTH INDEX	2.0	42	10.4	50	20.8	63	24.2	58	18.4	40	13.5	43	16.7	49	24.7	31

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

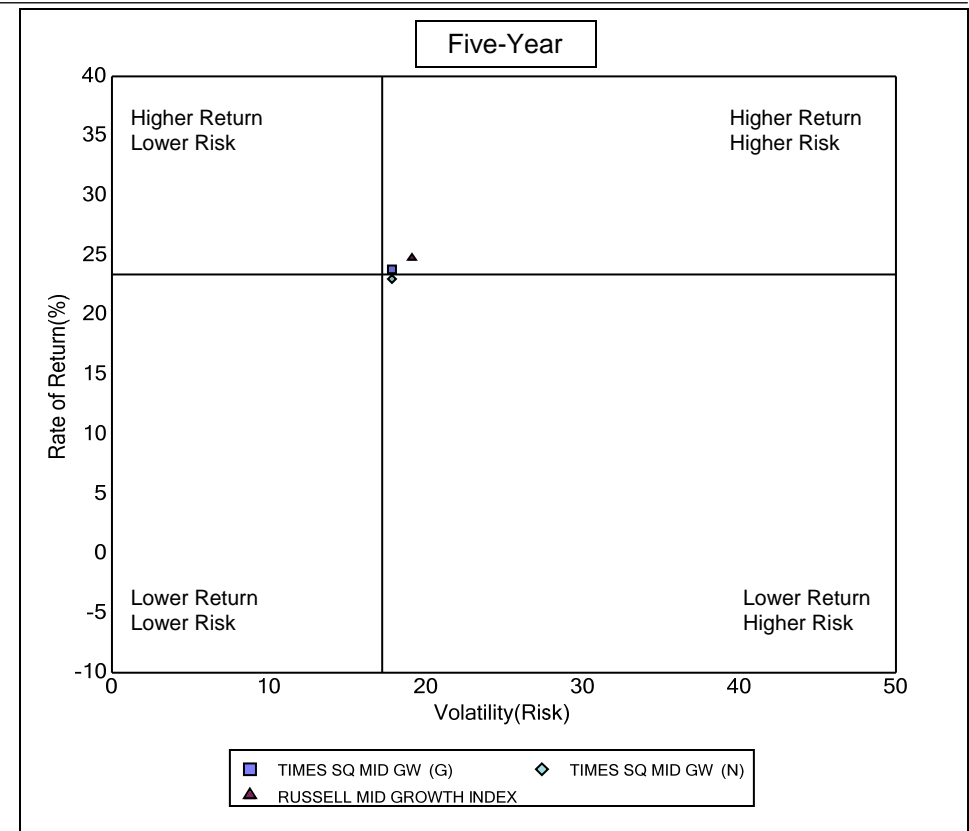
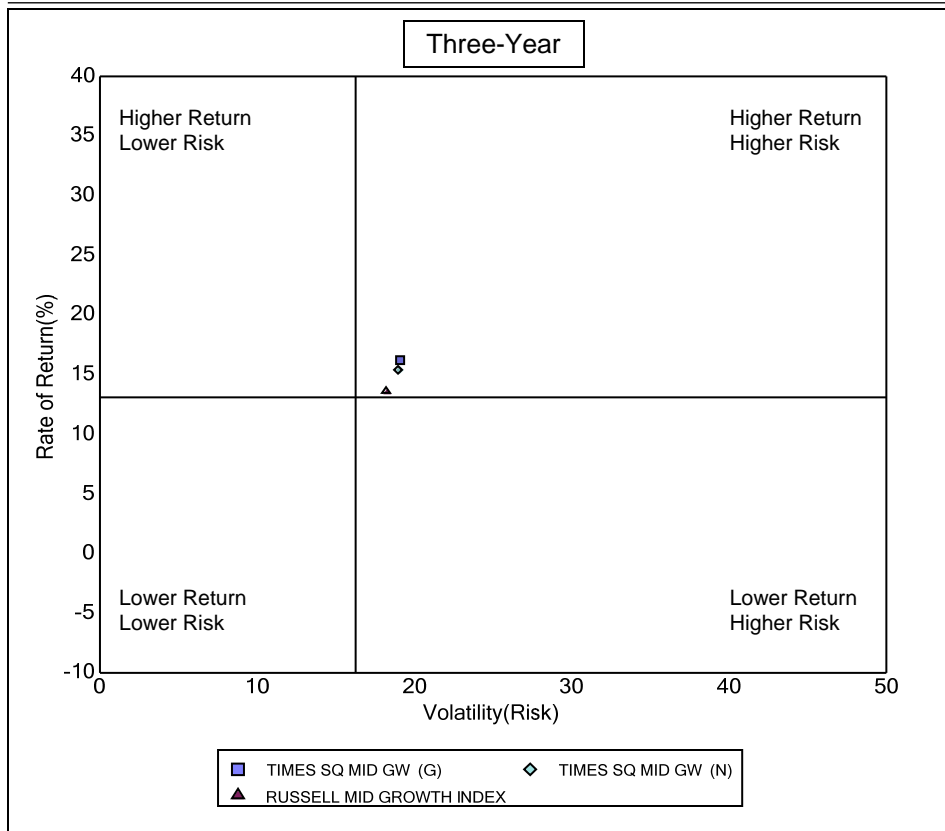


Equity Style - Mid Growth	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	34.0		17.0		11.5		37.3		81.1	
25th Percentile	28.1		12.8		6.9		34.1		65.2	
50th Percentile	25.3		10.3		3.6		30.4		58.5	
75th Percentile	21.9		7.9		-0.4		26.5		52.4	
95th Percentile	18.3		1.7		-5.6		20.5		31.2	
TIMES SQ MID GW (G)	23.7	62	18.8	3	6.7	27	20.2	95	54.3	67
TIMES SQ MID GW (N)	22.8	68	18.0	4	6.0	32	19.4	95	53.4	71
RUSSELL MID GROWTH INDEX	24.2	58	12.8	26	4.4	44	26.6	74	63.0	33

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
16.1	19.1	0.8
15.4	19.1	0.8
13.1	16.3	0.8
13.5	18.3	0.7

Category

TIMES SQ MID GW (G)
TIMES SQ MID GW (N)
Equity Style - Mid Growth Universe Median
RUSSELL MID GROWTH INDEX

Five Year Return vs Risk

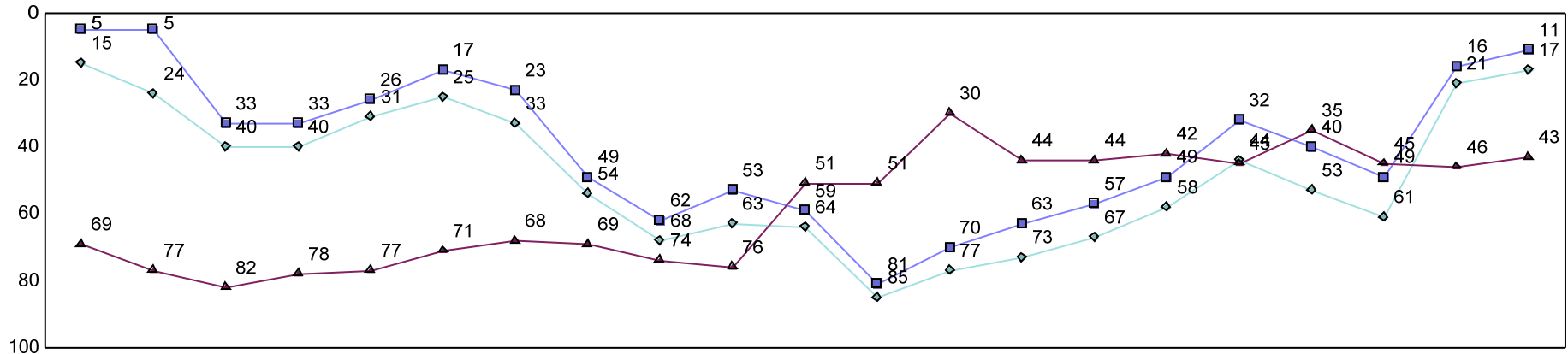
Annualized Return %	Standard Deviation %	Sharpe Ratio
23.8	17.9	1.3
23.0	17.9	1.3
23.4	17.2	1.4
24.7	19.2	1.3

Imperial County Employees' Retirement System

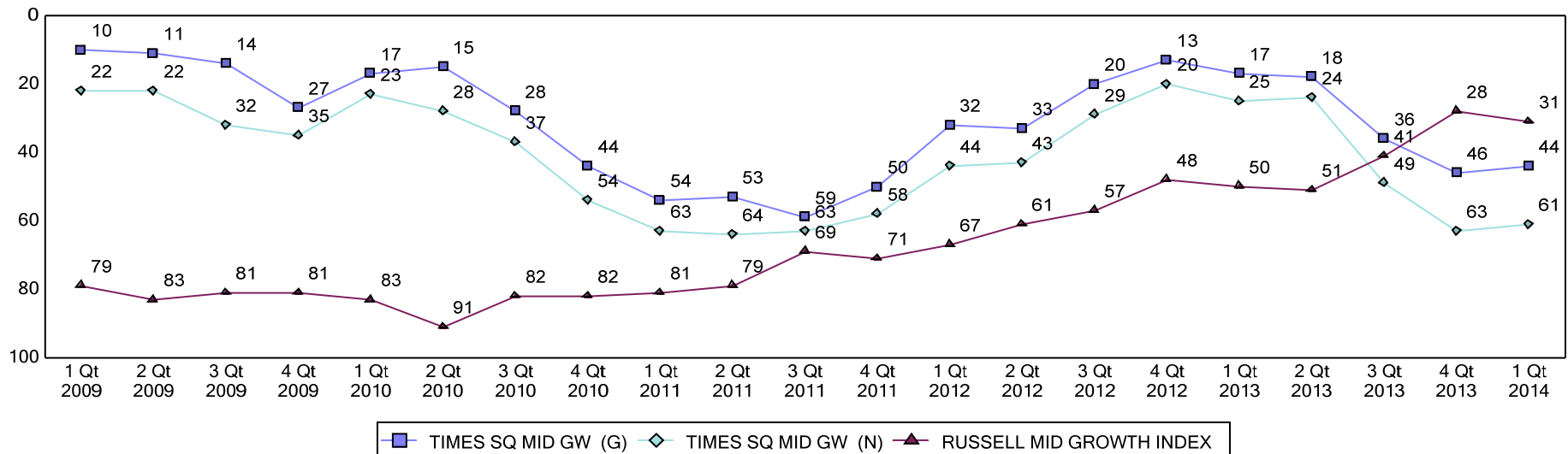
Rolling Return Ranking 3 & 5 Years

Period Ending: March 31, 2014

Ranking Comparisons - Rolling 3 Years



Ranking Comparisons - Rolling 5 Years



■ TIMES SQ MID GW (G)
 ◆ TIMES SQ MID GW (N)
 ▲ RUSSELL MID GROWTH INDEX

Note: data is ranked against the Equity Style - Mid Growth Universe

Imperial County Employees' Retirement System

Equity Only Summary Statistics

Period Ending: March 31, 2014

TIMES SQ MID GW

	Portfolio	RUSSELL MID GROWTH INDEX
Total Number of Securities	78	502
Total Market Value	35,135,837	
Average Market Capitalization (000's)	9,756,016	12,791,140
Equity Segment Yield	1.76	1.10
Equity Segment Price/Earnings Ratio	27.78	26.90
Equity Segment Beta	1.16	1.2
Price/Book Ratio	4.80	4.86
5 Year Earnings Growth	15.4%	16.8%

Ten Largest Holdings

Security	Market Value	Weight
SBA COMMS.	1,309,824	3.73
DAVITA HEALTHCARE PTNS.	1,259,955	3.59
ALLIANCE DATA SYSTEMS	1,212,403	3.45
RENAISSANCERE HDG.	897,920	2.56
NIELSEN HOLDINGS NV	785,488	2.24
WABCO HOLDINGS	749,476	2.13
INTERCONTINENTAL EX.GP.	712,188	2.03
GNC HOLDINGS CL.A	647,094	1.84
AMDOCS	627,210	1.79
GARTNER 'A'	618,016	1.76

Ten Best Performers

Security	Return	Weight
NXP SEMICONDUCTORS	28.0	1.31
RYANAIR SPN.ADR 1:5	25.3	1.04
WHITEWAVE FOODS CL.A	24.4	1.15
AVIS BUDGET GROUP	20.5	1.21
SOUTHWESTERN ENERGY	17.0	1.15
O REILLY AUTOMOTIVE	15.3	1.73
SALIX PHARMS.	15.2	1.44
TRANSDIGM GROUP	15.0	1.05
INTUITIVE SURGICAL	14.0	0.75
FOOT LOCKER	13.9	1.39

Ten Worst Performers

Security	Return	Weight
NEUSTAR 'A'	-34.8	1.49
OCWEN FINL.	-29.3	0.84
GNC HOLDINGS CL.A	-24.4	1.84
UNITED THERAPEUTICS	-16.9	0.80
COMMVault SYSTEMS	-13.2	0.83
INTERCONTINENTAL EX.GP.	-11.8	2.03
PREMIER CLASS A	-10.4	0.53
SOLERA HOLDINGS	-10.3	1.15
SALLY BEAUTY HOLDINGS	-9.4	1.10
INFORMATICA	-9.0	0.80

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Top Ten Holding

Period Ending: March 31, 2014

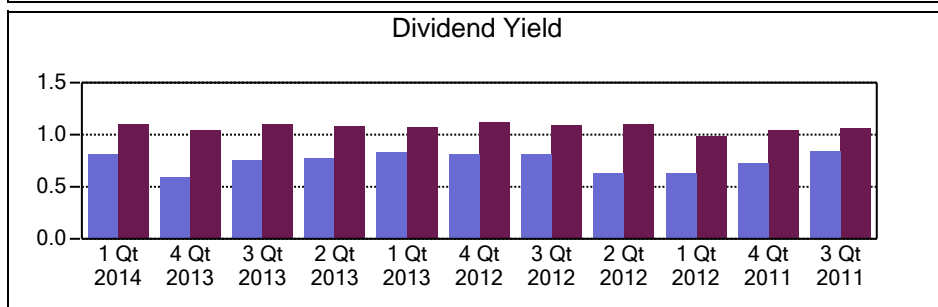
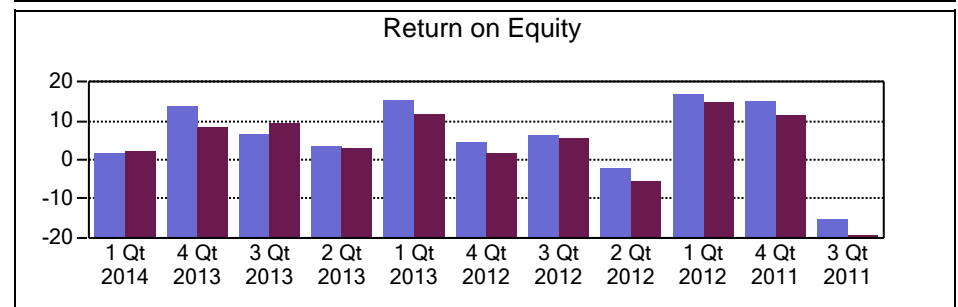
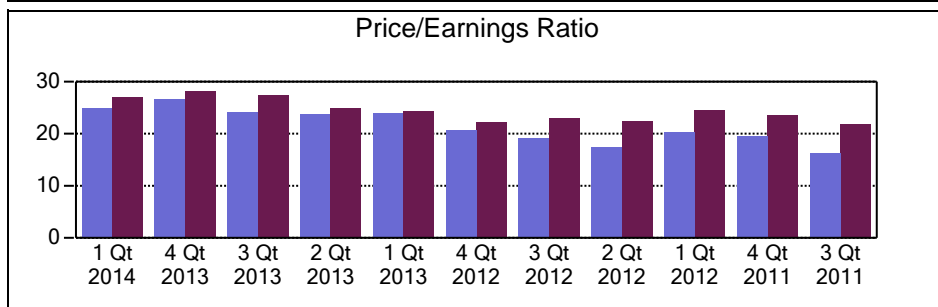
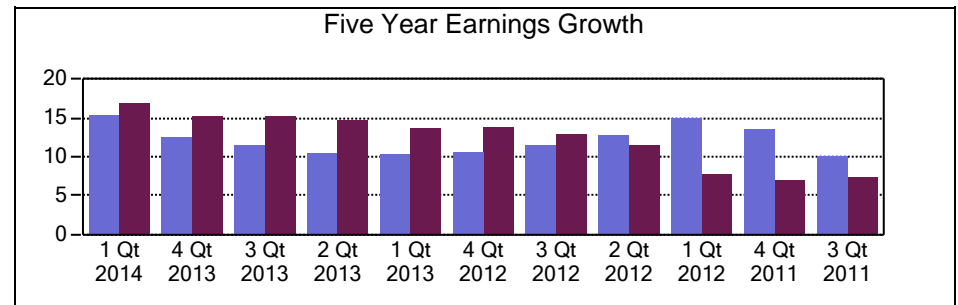
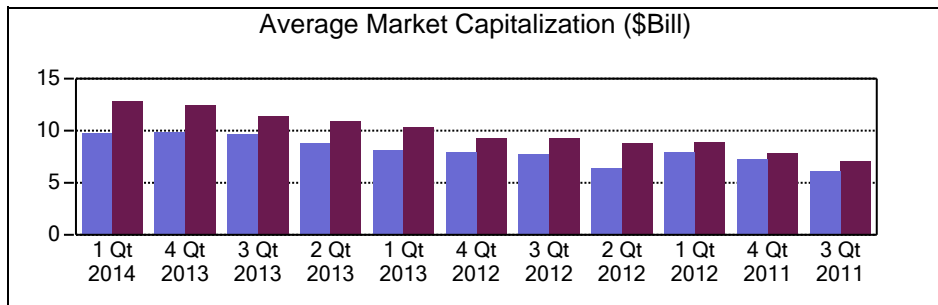
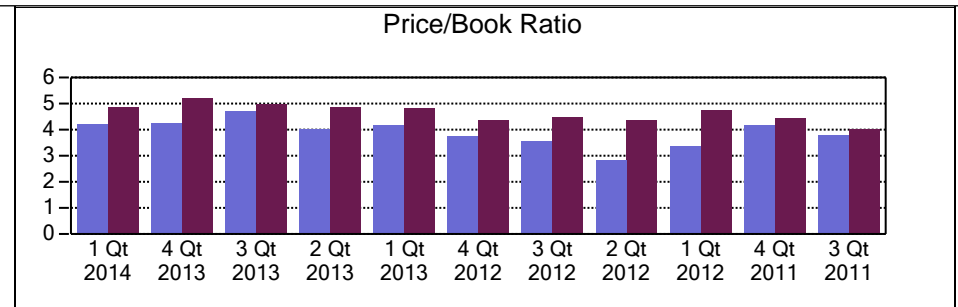
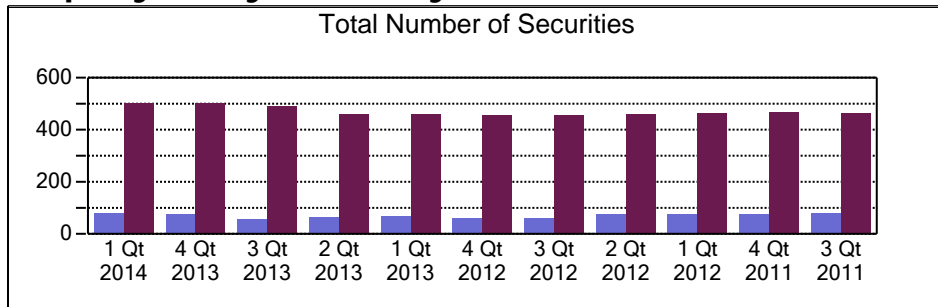
TIMES SQ MID GW

As Of 6/30/12		As Of 9/30/12		As Of 12/31/12		As Of 3/31/13	
DAVITA INC	5.1%	DAVITA	6.7%	DAVITA HEALTHCARE PARTNERS, INC.	6.0%	DAVITA HEALTHCARE PTNS.	4.8%
SBA COMMUNICATIONS CORP	3.6%	VIRGIN MEDIA	5.1%	SBA COMMUNICATIONS CORP	5.1%	SBA COMMS.	4.0%
VIRGIN MEDIA INC	3.5%	SBA COMMS.	4.9%	VIRGIN MEDIA INC	4.9%	RENAISSANCERE HDG.	3.4%
ALLIANCE DATA SYSTEMS CORP	2.9%	RENAISSANCERE HDG.	3.7%	RENAISSANCERE HOLDINGS LTD	4.0%	DISCOVERY COMMS.'C'	2.9%
RENAISSANCERE HOLDINGS LTD	2.8%	NEUSTAR 'A'	3.2%	NEUSTAR INC	3.1%	NIelsen HOLDINGS NV	2.8%
DISCOVERY COMMUNICATIONS INC CL C	2.8%	AMDOCS	3.1%	AMDOCS LIMITED	2.8%	NEUSTAR 'A'	2.6%
AMDOCS LIMITED	2.2%	GARTNER 'A'	2.7%	THE NASDAQ OMX GROUP INC	2.6%	NASDAQ OMX GROUP	2.3%
NEUSTAR INC	2.1%	NASDAQ OMX GROUP	2.4%	GARTNER INC	2.5%	AMDOCS	2.2%
GARTNER INC	2.0%	KANSAS CTY.STHN.	2.3%	CLEAN HARBORS INC	2.2%	GARTNER 'A'	2.1%
KANSAS CITY SOUTHERN	1.9%	AXIS CAPITAL HDG.	2.3%	AXIS CAPITAL	2.1%	INTERCONTINENTAL EX.	1.8%
Top Ten Total:	28.9%	Top Ten Total:	36.4%	Top Ten Total:	35.3%	Top Ten Total:	28.9%
As Of 6/30/13		As Of 9/30/13		As Of 12/31/13		As Of 3/31/14	
DAVITA HEALTHCARE PARTNERS, INC.	4.6%	SBA COMMUNICATIONS CORP	5.8%	SBA COMMS.	3.9%	SBA COMMS.	3.7%
SBA COMMUNICATIONS CORP	4.5%	DAVITA HEALTHCARE PARTNERS, INC.	5.0%	ALLIANCE DATA SYSTEMS	3.6%	DAVITA HEALTHCARE PTNS.	3.6%
RENAISSANCERE HOLDINGS LTD	3.8%	RENAISSANCERE HOLDINGS LTD	4.3%	DAVITA HEALTHCARE PTNS.	3.5%	ALLIANCE DATA SYSTEMS	3.5%
ALLIANCE DATA SYSTEMS CORP	3.5%	O'REILLY AUTOMOTIVE INC	2.9%	RENAISSANCERE HDG.	2.6%	RENAISSANCERE HDG.	2.6%
NEUSTAR INC	3.0%	ECOLAB INC	2.6%	NIelsen HOLDINGS NV	2.4%	NIelsen HOLDINGS NV	2.2%
AMDOCS LIMITED	2.4%	HERTZ GLOBAL HOLDINGS INC.	2.6%	O REILLY AUTOMOTIVE	2.3%	WABCO HOLDINGS	2.1%
O'REILLY AUTOMOTIVE INC	2.3%	AMDOCS LIMITED	2.6%	WABCO HOLDINGS	2.1%	INTERCONTINENTAL EX.GP.	2.0%
GARTNER INC	2.2%	INTERCONTINENTALEXCHANGE INC.	2.5%	GNC HOLDINGS CL.A	2.0%	GNC HOLDINGS CL.A	1.8%
INTERCONTINENTALEXCHANGE INC.	2.2%	NEUSTAR INC	2.5%	INTERCONTINENTAL EX.GP.	2.0%	AMDOCS	1.8%
ECOLAB INC	2.0%	WHITING PETROLEUM CORP	2.4%	HERTZ GLOBAL HDG.	1.8%	GARTNER 'A'	1.8%
Top Ten Total:	30.6%	Top Ten Total:	33.1%	Top Ten Total:	26.2%	Top Ten Total:	25.1%

Imperial County Employees' Retirement System

Equity Only Summary Statistics Charts

Period Ending: March 31, 2014

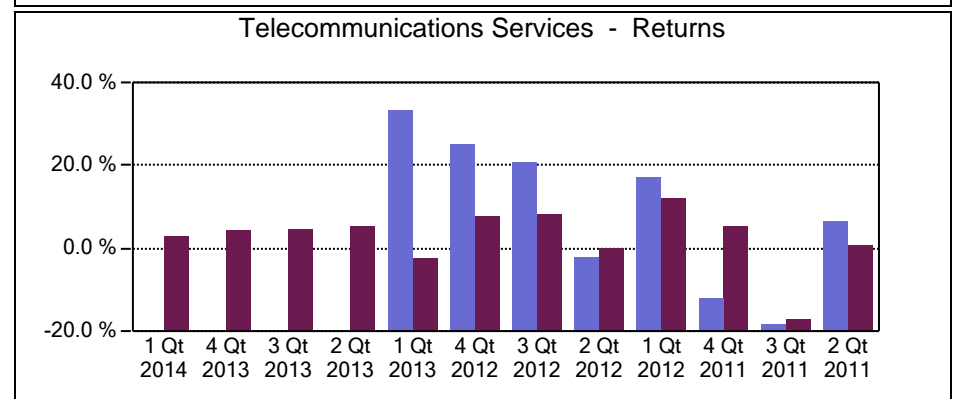
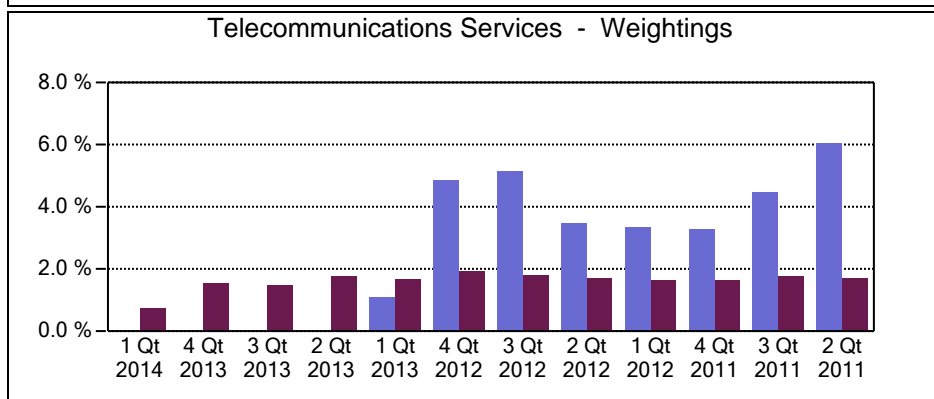
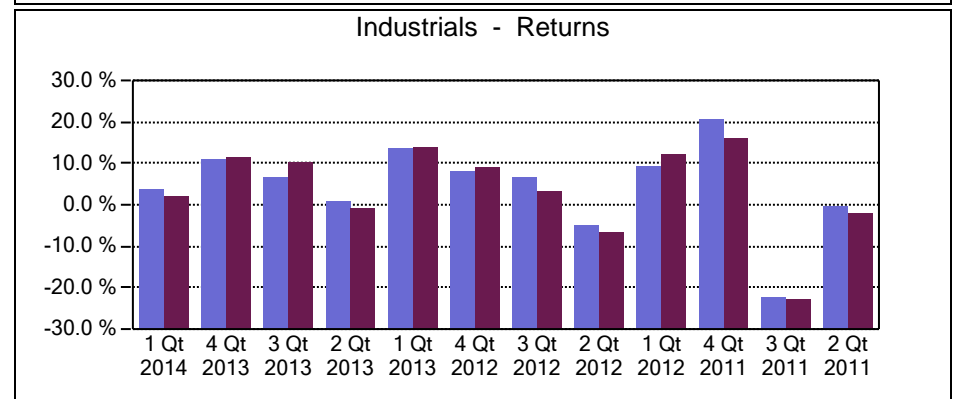
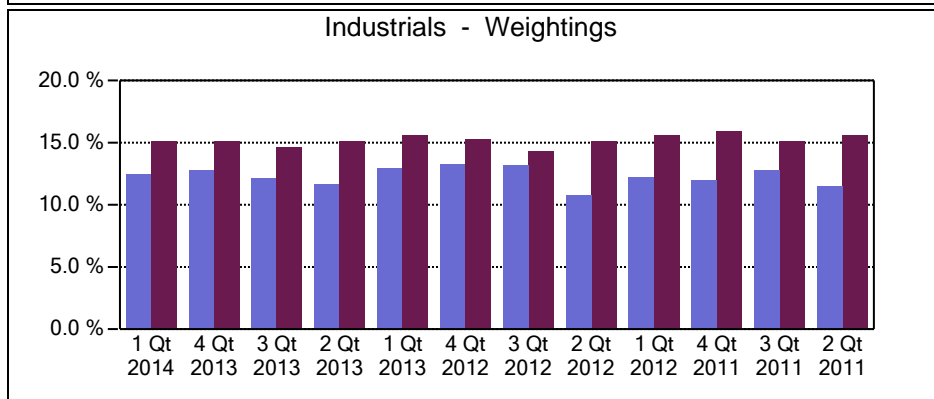
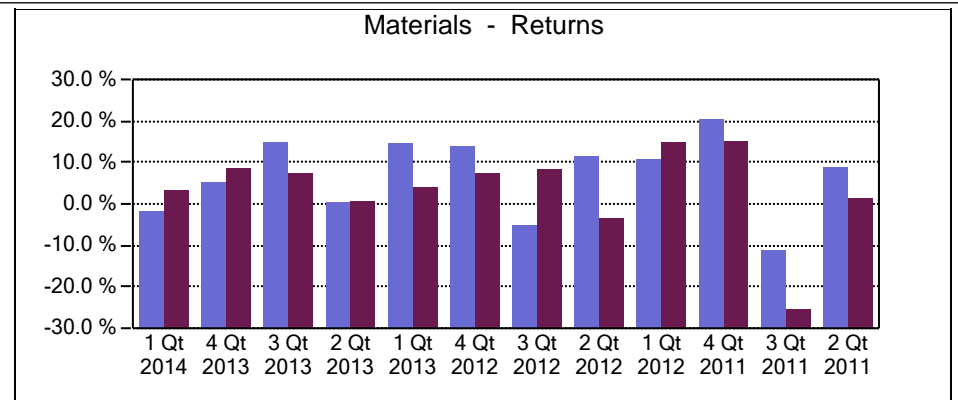
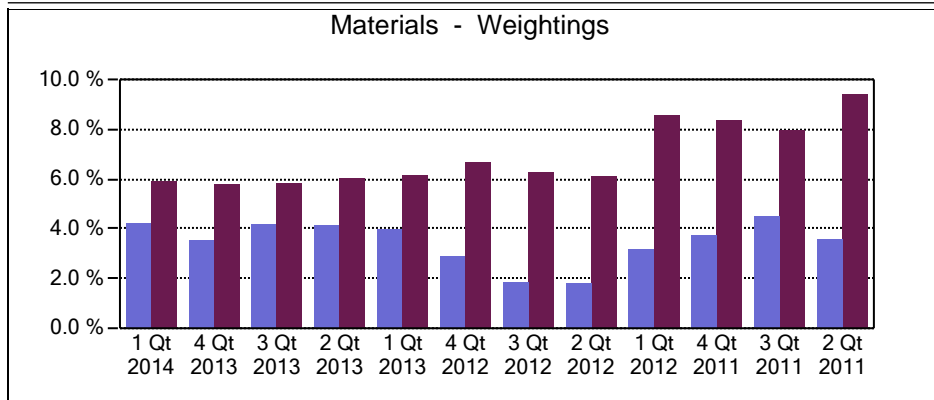


 TIMES SQ MID GW
 RUSSELL MID GROWTH INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



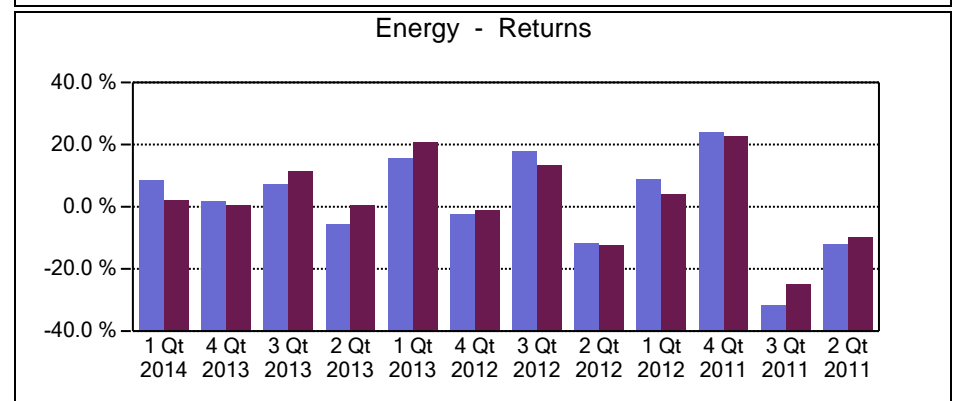
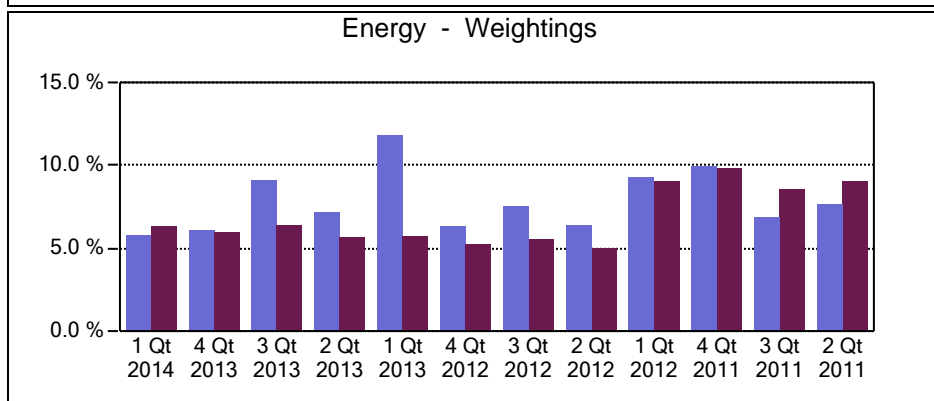
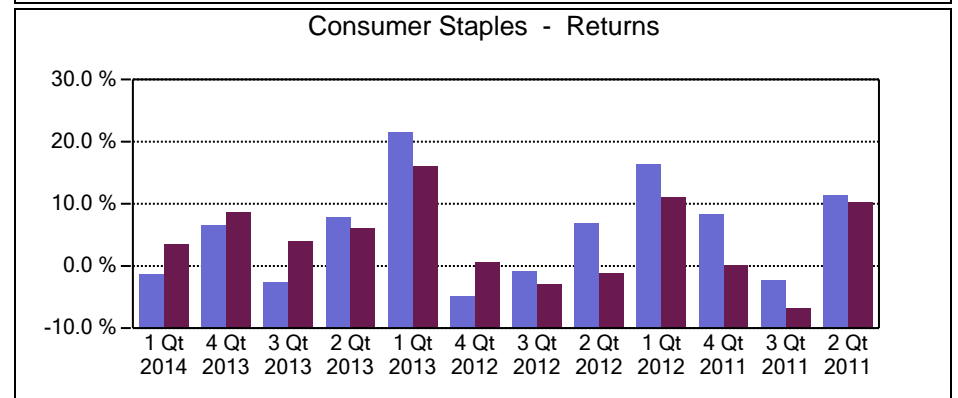
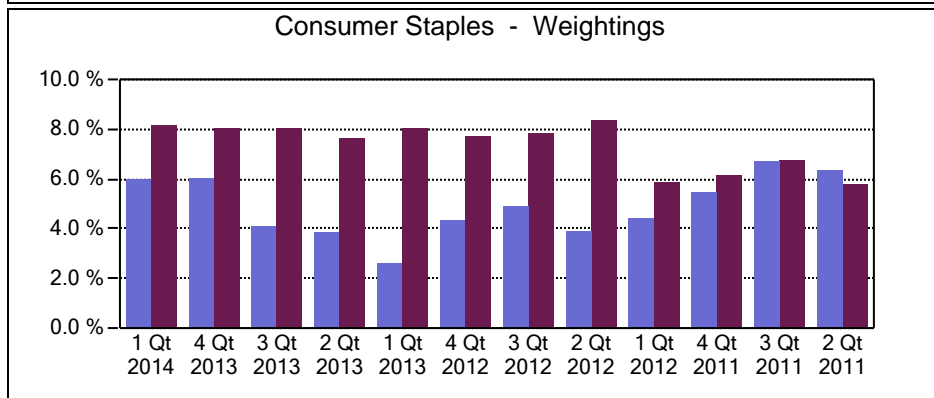
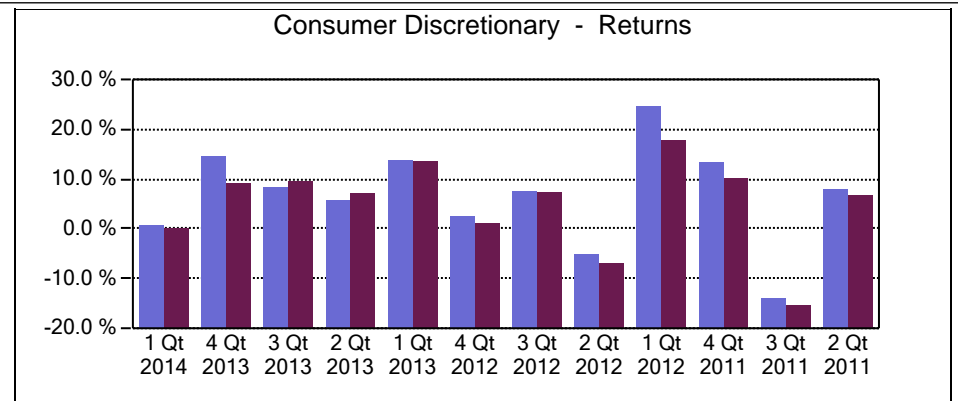
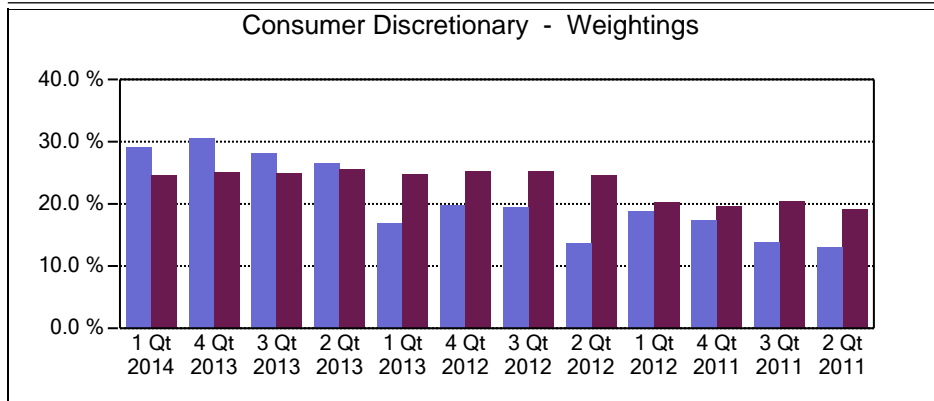
TIMES SQ MID GW

RUSSELL MID GROWTH INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



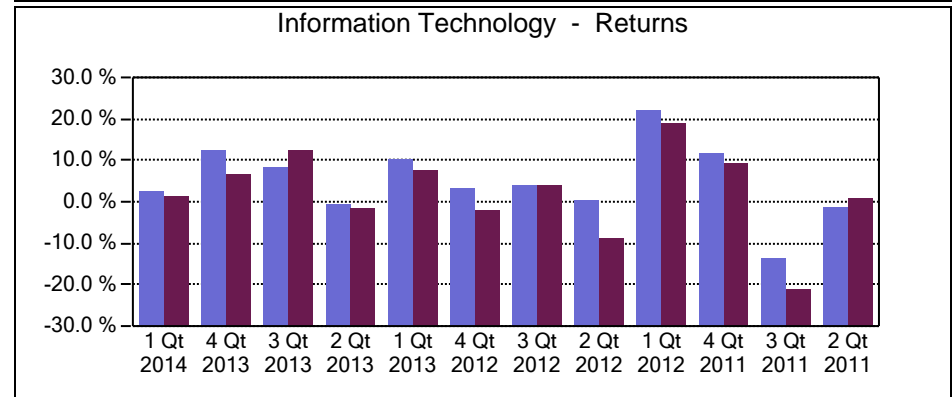
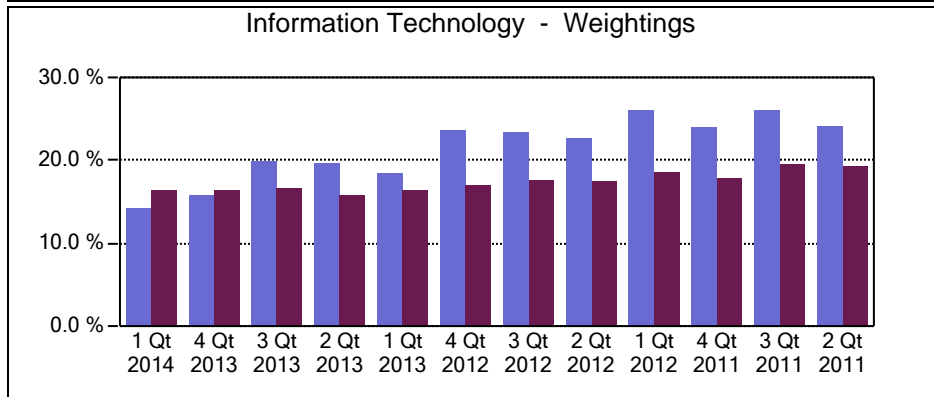
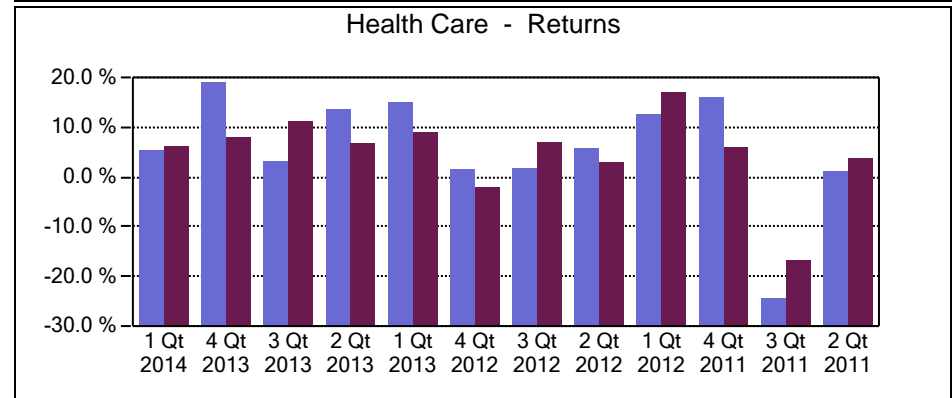
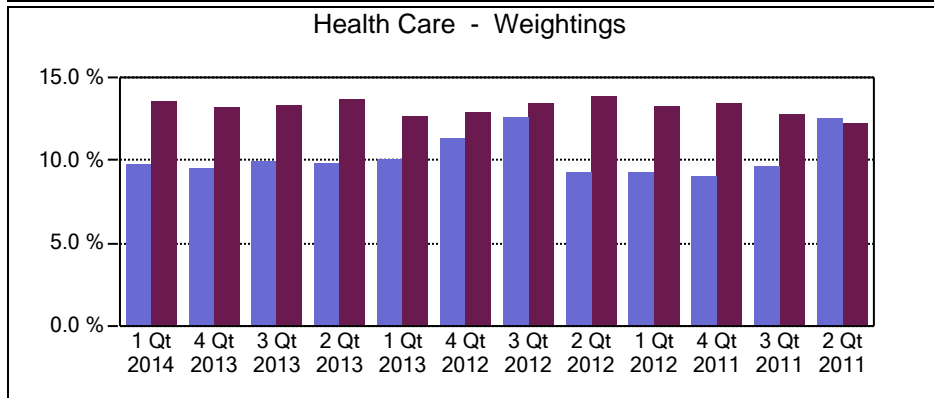
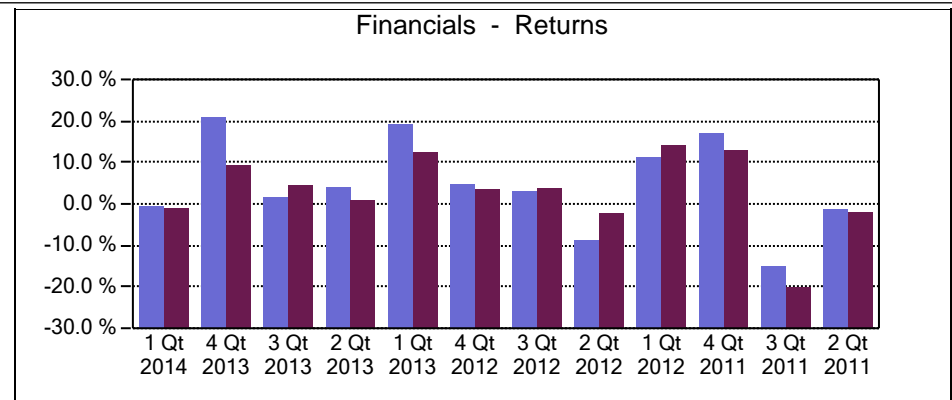
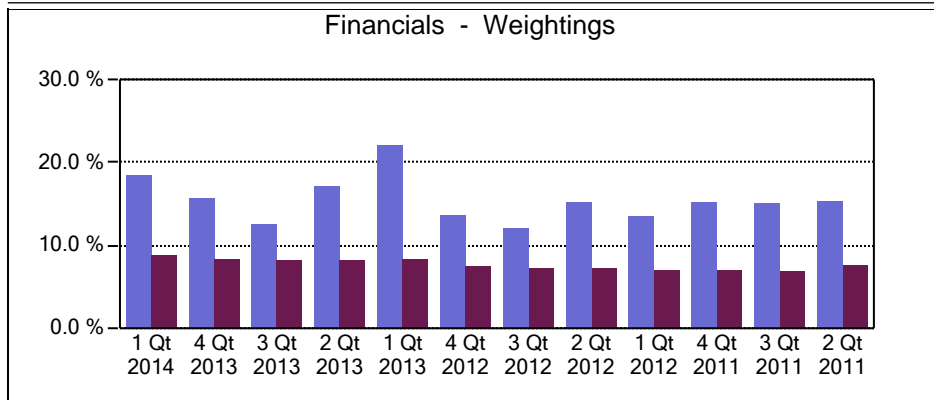
TIMES SQ MID GW

RUSSELL MID GROWTH INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



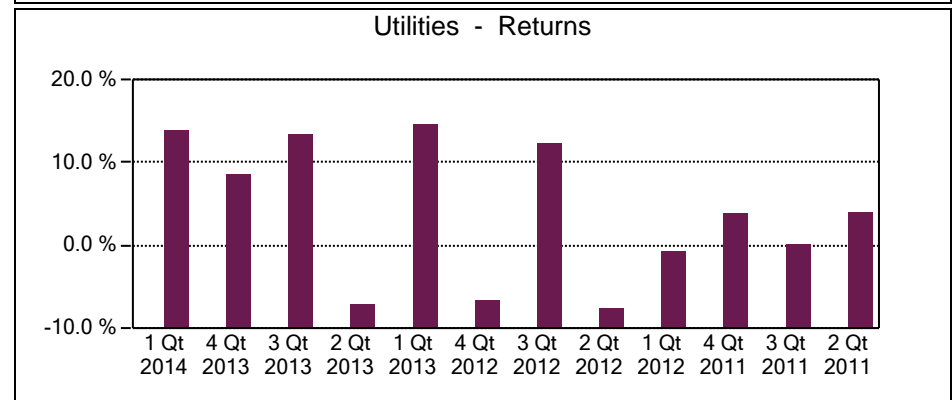
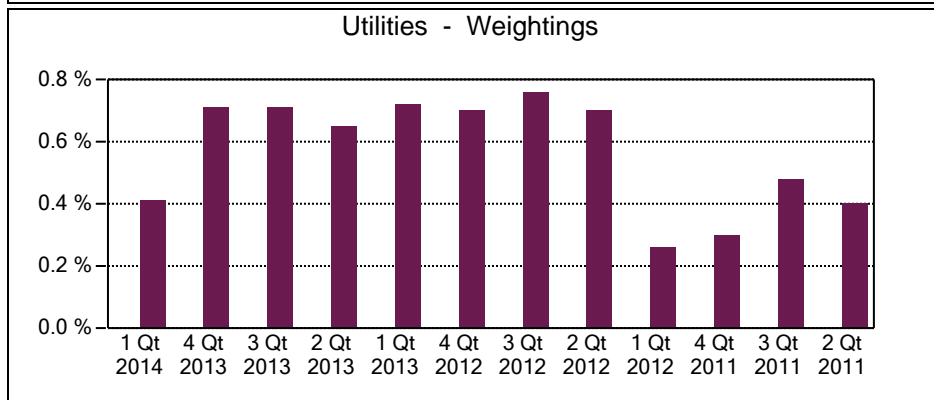
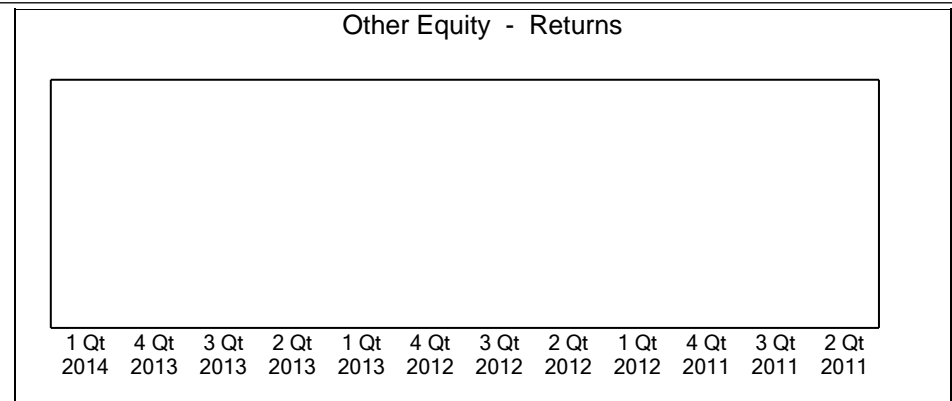
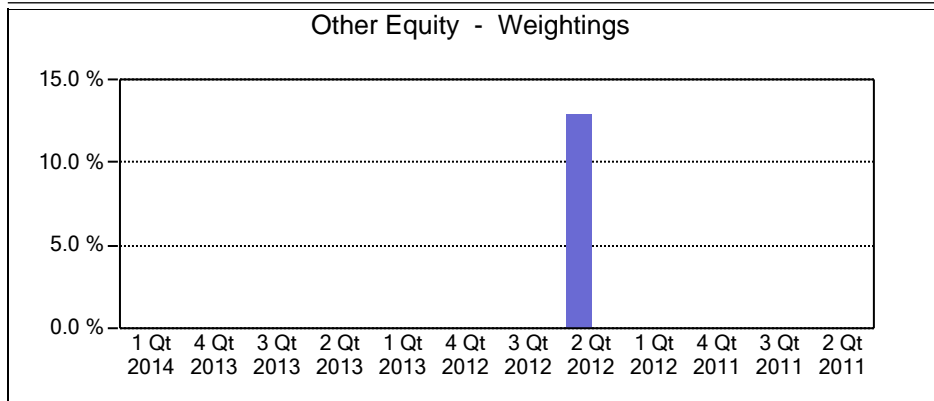
TIMES SQ MID GW

RUSSELL MID GROWTH INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



TIMES SQ MID GW

RUSSELL MID GROWTH INDEX

Imperial County Employees' Retirement System

Performance Attribution Geometric 1 Qtr

Period Ending: March 31, 2014

TIMES SQ MID GW

	Portfolio		RUSSELL MID GROWTH INDEX		Selection		
	Market Value	Return	Market Value	Return	Stock	Industry	Total
	A	B	C	D	E	F	G
Consumer Discretionary	30.6	0.5	25.0	0.2	0.1	-0.1	0.0
Consumer Staples	6.0	-2.4	8.0	3.5	-0.4	0.0	-0.4
Energy	6.1	5.5	6.0	2.0	0.2	0.0	0.2
Financials	15.7	0.5	8.3	-1.0	0.2	-0.2	0.0
Health Care	9.5	10.2	13.2	6.2	0.4	-0.2	0.2
Industrials	12.7	2.2	15.1	2.0	0.0	0.0	0.0
Information Technology	15.8	1.4	16.4	1.3	0.0	0.0	0.0
Materials	3.5	-1.2	5.8	3.4	-0.2	0.0	-0.2
Telecommunications Services	0.0	0.0	1.5	2.9	0.0	0.0	0.0
Utilities	0.0	0.0	0.7	13.8	0.0	-0.1	-0.1
	100.0	1.9	100.0	2.0	0.5	-0.6	-0.2

Contributors

Stock Health Care
Financials

Industry Information Technology
Industrials

Detractors

Stock Consumer Staples
Materials

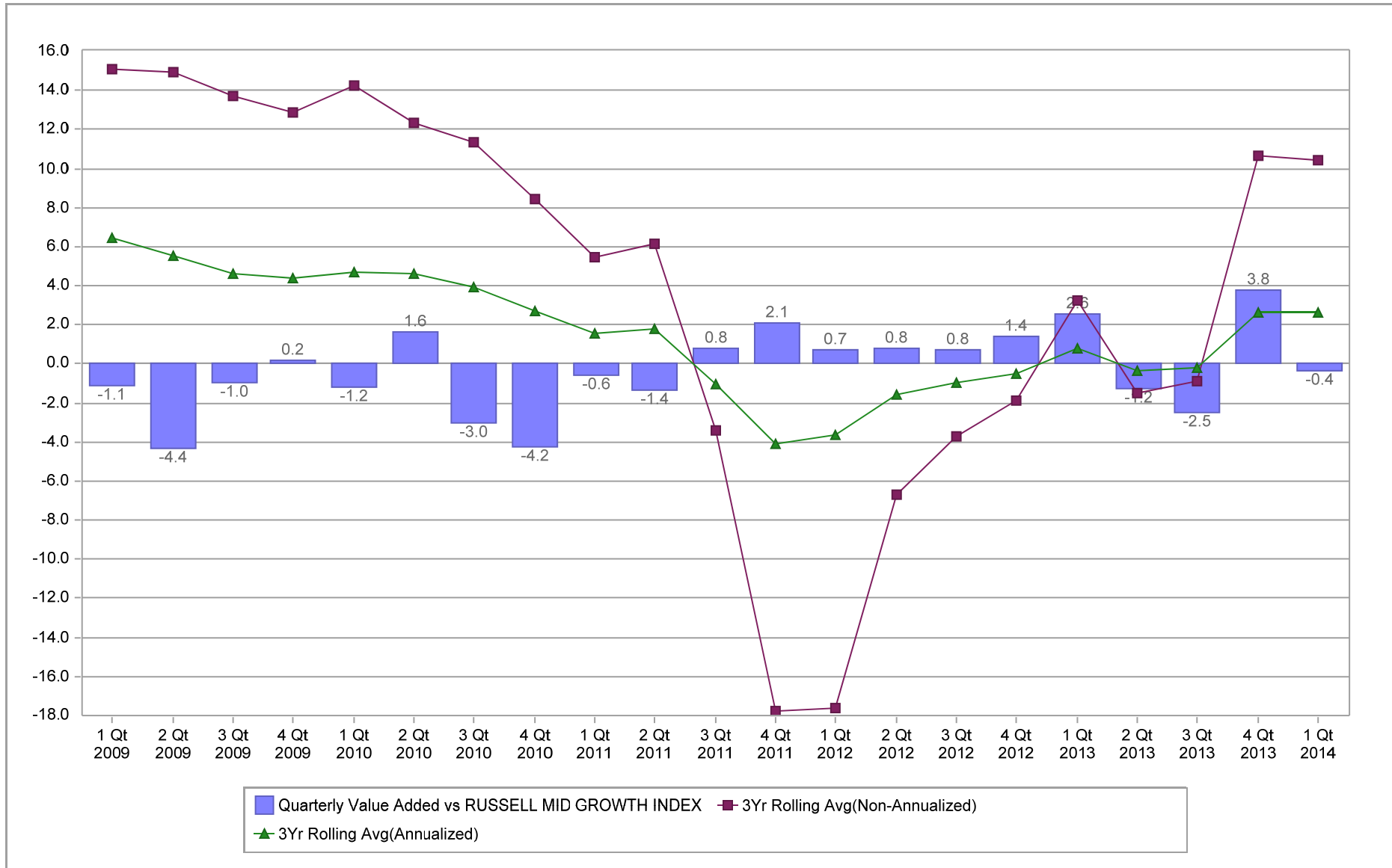
Industry Financials
Health Care

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

Three Years Rolling for TIMES SQ MID GW (in %)



Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

TIMES SQ MID GW	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Consumer Discretionary									
AVIS BUDGET GROUP	8,700	0.00	1.2	5.17			6.7	2.3	20.5
BORGWARNER	9,900	0.00	1.7	14.03	0.8	22.8	3.9	1.6	10.2
COPART	11,900	36.39	1.2	4.58		26.2	6.0	0.7	-0.7
COSTAR GP.	1,300	186.74	0.7	5.39			5.7	1.1	1.2
DISCOVERY COMMS.'C'	6,600	77.06	1.5	6.10		27.8	2.9	1.1	-8.1
FOOT LOCKER	10,400	46.98	1.4	6.85	1.9	16.5	2.7	1.0	13.9
HANESBRANDS	5,600	76.48	1.2	7.61	1.6	23.6	6.2	1.3	9.3
HERTZ GLOBAL HDG.	17,100	26.64	1.3	11.93		35.7	4.3	2.1	-6.9
IHS 'A'	3,000	121.50	1.0	8.27		59.0	4.3	0.7	1.5
MCGRAW HILL FINANCIAL	5,900	76.30	1.3	20.88	1.6	15.5	15.9	1.1	-2.1
NEUSTAR 'A'	16,100	32.51	1.5	1.97		13.2	3.4	1.2	-34.8
NIELSEN HOLDINGS NV	17,600	44.63	2.2	16.91	1.8	23.0	3.0	0.9	-2.3
O REILLY AUTOMOTIVE	4,100	148.39	1.7	15.77		24.6	8.0	0.6	15.3
POOL	6,000	61.32	1.1	2.77	1.2	30.0	9.7	1.3	5.8
PVH	2,700	124.77	1.0	10.26	0.1	71.8	2.8	1.5	-8.2
ROCKWELL AUTOMATION	3,000	124.55	1.1	17.29	1.9	22.1	6.7	1.6	5.9
ROSS STORES	6,300	71.57	1.3	15.20	1.1	18.5	7.6	0.7	-4.2
SALLY BEAUTY HOLDINGS	14,100	0.00	1.1	4.46		18.2		1.0	-9.4
TIFFANY & CO	3,800	86.15	0.9	11.10	1.6	61.2	4.1	1.6	-6.8
TRACTOR SUPPLY	5,400	70.63	1.1	9.80	0.7	30.5	7.9	1.1	-8.8
WABCO HOLDINGS	7,100	105.56	2.1	6.42		10.2	5.6	1.8	13.0
WYNDHAM WORLDWIDE	7,000	73.23	1.5	9.32	1.9	22.9	5.8	1.5	-0.2
			29.1	9.99	1.4	26.4	5.7	1.3	0.7
Consumer Staples									
CHURCH & DWIGHT CO.	5,900	69.07	1.2	9.48	1.8	24.7	4.2	0.5	4.7
GNC HOLDINGS CL.A	14,700	44.02	1.8	4.01	1.5	16.2	5.1	1.1	-24.4
SPROUTS FARMERS MARKET	7,600	36.03	0.8	5.46		98.2	10.4		-6.3
THE HERSHEY COMPANY	3,600	104.40	1.1	16.99	1.9	28.9	14.6	0.3	7.9
WHITEWAVE FOODS CL.A	14,100	28.54	1.2	4.96		50.3	6.3		24.4
			6.0	7.75	1.7	37.3	7.5	0.7	-1.3

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

TIMES SQ MID GW	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Energy									
CAMERON INTERNATIONAL	5,600	61.77	1.0	12.96		21.5	2.3	1.5	3.8
DENBURY RES.	28,800	16.40	1.3	5.77	1.5	14.8	1.1	1.8	0.3
EP ENERGY CLA	15,000	19.57	0.8	4.77		9.1	1.4		
SOUTHWESTERN ENERGY	8,800	46.01	1.2	16.24		23.0	4.5	1.1	17.0
WHITING PTL.	7,500	69.39	1.5	8.37		22.7	2.2	2.2	12.2
			5.8	9.59	1.5	18.8	2.3	1.7	7.2
Financials									
ALLIANCE DATA SYSTEMS	4,450	0.00	3.5	14.49		36.7		1.3	3.6
APOLLO GLOBAL MAN.CL.A	14,600	0.00	1.3	4.74	13.6	8.0	1.6	1.8	4.1
ASSURED GUARANTY	15,800	25.32	1.1	4.62	1.7	4.6	0.9	1.9	7.8
BANKUNITED	9,800	34.77	1.0	3.53	2.4	17.3	1.8	1.0	7.0
EQUIFAX	8,200	68.03	1.6	8.30	1.5	23.9	3.6	0.9	-1.2
FLEETCOR TECHNOLOGIES	3,100	115.10	1.0	9.49		34.3	7.6	1.1	-1.8
GLOBAL PAYMENTS	6,200	71.11	1.3	5.11	0.1	22.5	4.7	1.0	9.5
INTERCONTINENTAL EX.GP.	3,600	197.83	2.0	22.77	1.3	61.5	1.8	0.8	-11.8
INVESCO	10,400	37.00	1.1	15.97	2.4	20.5	1.9	1.7	2.3
OCWEN FINL.	7,500	39.18	0.8	5.31		22.5	2.9	0.9	-29.3
RENAISSANCERE HDG.	9,200	97.60	2.6	4.03	1.2	6.6	1.2	0.4	0.7
VANTIV CLASS A	14,700	30.22	1.3	4.25		34.7	7.9		-7.3
			18.5	9.61	2.8	26.3	3.0	1.1	-0.6
Health Care									
BOSTON SCIENTIFIC	31,100	13.52	1.2	17.89			2.7	1.0	12.5
DAVITA HEALTHCARE PTNS.	18,300	68.85	3.6	14.68		23.8	3.3	0.8	8.7
ENVISION HEALTHCARE HDG.	15,300	33.83	1.5	6.13			3.8		-4.8
INTUITIVE SURGICAL	600	437.99	0.8	16.79		26.2	4.8	1.3	14.0
PREMIER CLASS A	5,700	32.95	0.5	1.07		26.2			-10.4
SALIX PHARMS.	4,900	103.61	1.4	6.56		47.6	8.8	1.3	15.2
UNITED THERAPEUTICS	3,000	94.03	0.8	4.75		28.7	3.6	1.2	-16.9
			9.8	11.19		29.6	4.3	1.0	5.3

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

TIMES SQ MID GW	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Industrials									
AERCAP HOLDINGS N V	8,100	42.19	1.0	4.80		21.8	2.3	1.8	10.0
GENESEE & WYOMING 'A'	4,600	97.32	1.3	5.06		20.5	2.4	1.3	1.3
HUNT JB TRANSPORT SVS.	4,000	71.92	0.8	8.41	1.1	25.1	8.3	1.1	-6.7
L3 COMMUNICATIONS HDG.	3,000	118.15	1.0	10.22	2.0	13.8	1.7	1.0	11.2
NORDSON	4,900	70.49	1.0	4.54	1.0	21.3	5.1	1.5	-4.9
PALL	3,500	89.47	0.9	9.82	1.2	32.2	5.5	1.4	5.2
ROCKWELL COLLINS	5,000	79.67	1.1	10.79	1.5	17.3	9.0	1.0	8.2
RYANAIR SPN.ADR 1:5	6,200	58.81	1.0	16.24		23.1	4.1	1.0	25.3
STERICYCLE	3,600	113.62	1.2	9.67		31.9	5.6	0.4	-2.2
TRANSDIGM GROUP	2,000	185.20	1.1	9.77		58.4		1.0	15.0
VERISK ANALYTICS CL.A	6,100	59.96	1.0	10.00		29.7		0.4	-8.8
WESCO INTL.	4,400	83.22	1.0	3.69		15.9	2.1	1.8	-8.6
			12.4	8.57	1.4	25.9	4.5	1.1	3.8
Information Technology									
AMDOCS	13,500	46.46	1.8	7.42	1.3	18.2	2.3	0.9	13.0
AMETEK	6,700	0.00	1.0	12.63	0.5	24.5	4.0	1.1	-2.1
CATAMARAN (NAS)	1,100	44.76	0.1	9.26		39.6		0.6	-5.7
COMMVAULT SYSTEMS	4,500	64.95	0.8	3.08		49.3	8.5	0.8	-13.2
GARTNER 'A'	8,900	69.44	1.8	6.39		36.0		1.1	-2.3
INFORMATICA	7,400	37.78	0.8	4.14		48.7	3.3	1.4	-9.0
NXP SEMICONDUCTORS	7,800	58.81	1.3	14.81		55.9	11.3	2.1	28.0
QLIK TECHNOLOGIES	9,600	26.59	0.7	2.38			8.7	1.5	-0.2
RED HAT	1,600	52.98	0.2	10.04		57.1	6.7	1.1	-5.5
SBA COMMS.	14,400	90.96	3.7	11.71				0.8	1.3
SOLARWINDS	6,200	42.63	0.8	3.21		36.4	6.6	1.0	12.7
SOLERA HOLDINGS	6,400	63.34	1.2	4.37	1.1		5.9	0.9	-10.3
			14.2	8.35	1.0	37.2	6.1	1.1	2.5
Materials									
AIRGAS	3,900	0.00	1.2	7.88	1.8	23.0	5.1	0.9	-4.4
ECOLAB	5,400	107.99	1.7	32.49	1.0	34.1	4.4	0.8	3.8
RELIANCE STEEL AND ALMN.	6,900	70.66	1.4	5.49	2.0	17.1	1.4	1.5	-6.4
			4.2	16.75	1.6	25.4	3.6	1.0	-1.8
TIMES SQ MID GW			100.0	9.76	1.8	27.8	4.8	1.2	1.7

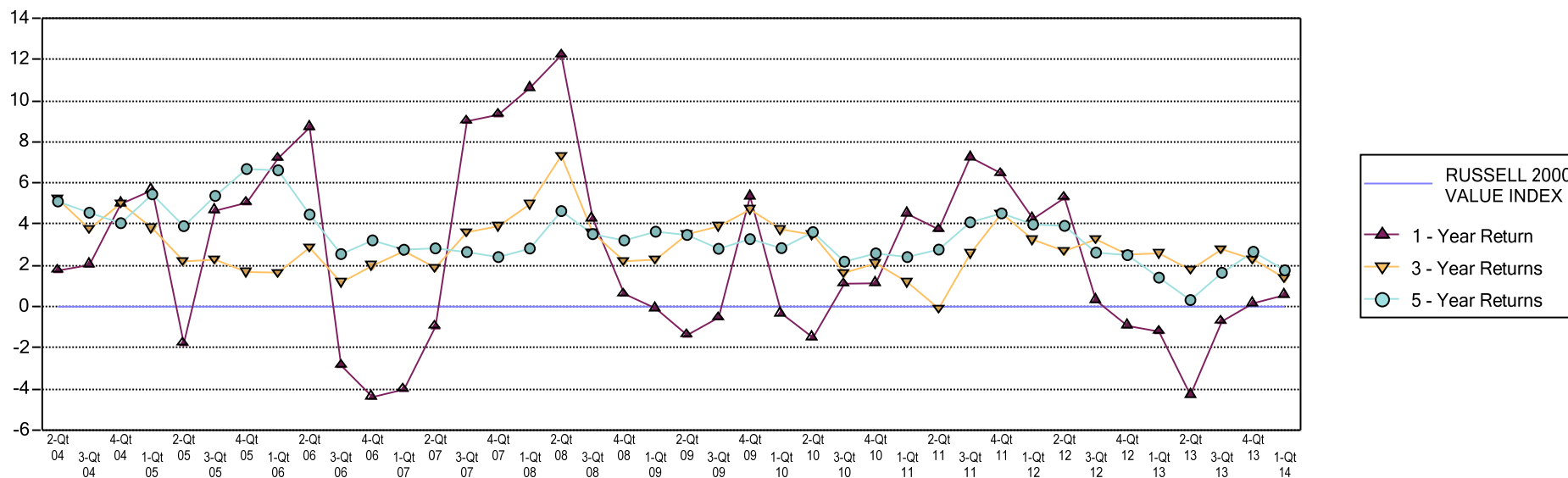
Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Performance Review Summary

Period Ending: March 31, 2014

T ROWE SM VAL vs RUSSELL 2000 VALUE INDEX - Rolling Returns



Performance & Risk Measures

	One Qtr		One Year		Three Years		Five Years		Ten Years		Standard Deviation		Sharpe Ratio		Beta		Information Ratio		Tracking Error		Alpha	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yrs	5-Yrs	3-Yr	5-Yr	3-Yr	5-Yr
T ROWE SM VAL	0.9	76	23.2	67	14.1	50	25.1	58	10.9	36	18.4	19.2	0.8	1.3	0.9	0.9	0.5	0.4	2.9	4.1	1.9	2.9
RUSSELL 2000 VALUE INDEX	1.8	54	22.6	73	12.7	70	23.3	77	8.1	90	19.5	20.2	0.6	1.1								
Equity Style - Small Value	2.0		24.9		14.1		25.8		10.3		16.7	18.9	0.8	1.4			1.0	0.8	1.4	3.0		

Attribution

Sector	Stock	Industry	Total
Energy	0.2	0.0	0.2
Materials	0.2	0.0	0.2
Industrials	0.0	-0.1	-0.1
Consumer Discretionary	0.0	-0.3	-0.4
Consumer Staples	-0.1	0.0	-0.1
Health Care	-0.5	0.0	-0.5
Financials	-0.1	0.0	-0.1
Information Technology	0.0	0.0	0.0
Telecommunications Services	0.0	0.0	0.0
Utilities	0.0	-0.1	-0.1

Sector Weights

Sector	Portfolio	Benchmark
Energy	6.7	7.5
Materials	7.3	4.6
Industrials	18.8	13.3
Consumer Discretionary	23.6	10.2
Consumer Staples	0.9	2.5
Health Care	2.1	4.8
Financials	23.2	39.8
Information Technology	8.3	10.6
Telecommunications Services	0.6	0.5
Utilities	2.3	6.3
Other Equity	6.2	

Portfolio Characteristics

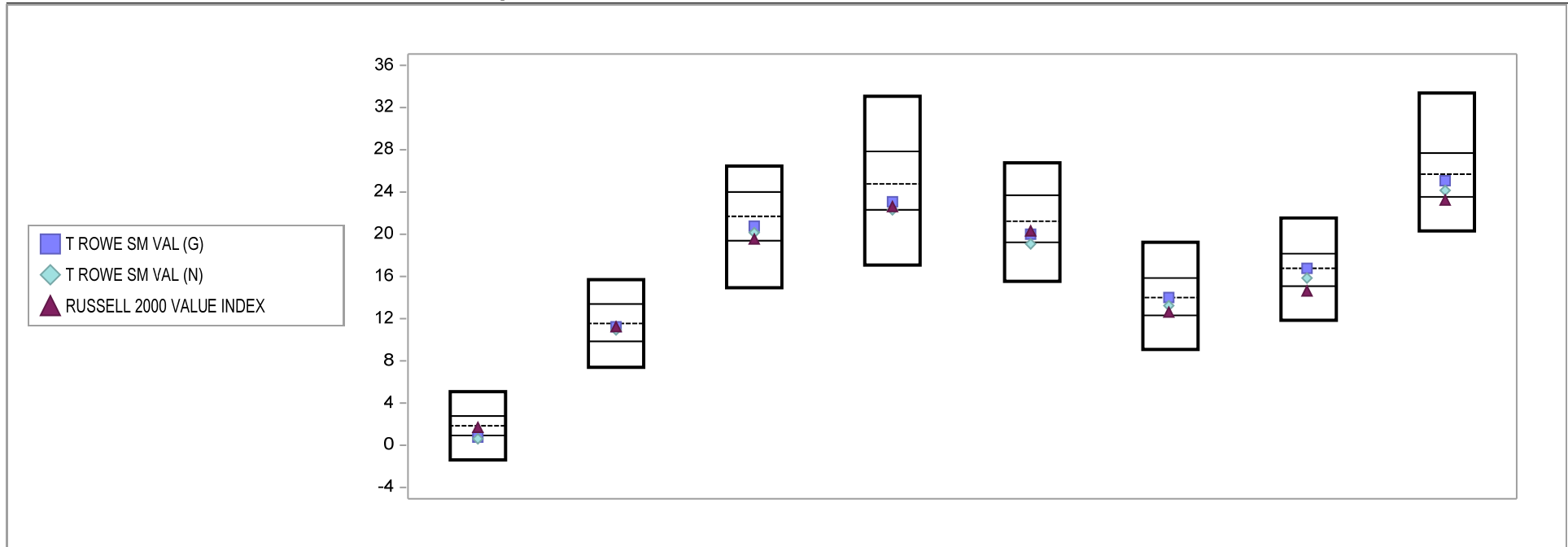
	Portfolio	Benchmark
Average Market Cap (M)	\$2,056	\$1,660
Median Market Cap (M)	\$1,098	\$638
P/E	23.8	29.2
P/B	3.0	1.6
Dividend Yield	1.2	2.0
Earnings Growth	13.7	10.3
Benchmark	RUSSELL 2000 VALUE INDEX	
Total Assets	\$33,319	5.0% of Total Fund

Return Based Beta - Beta is calculated based on returns

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

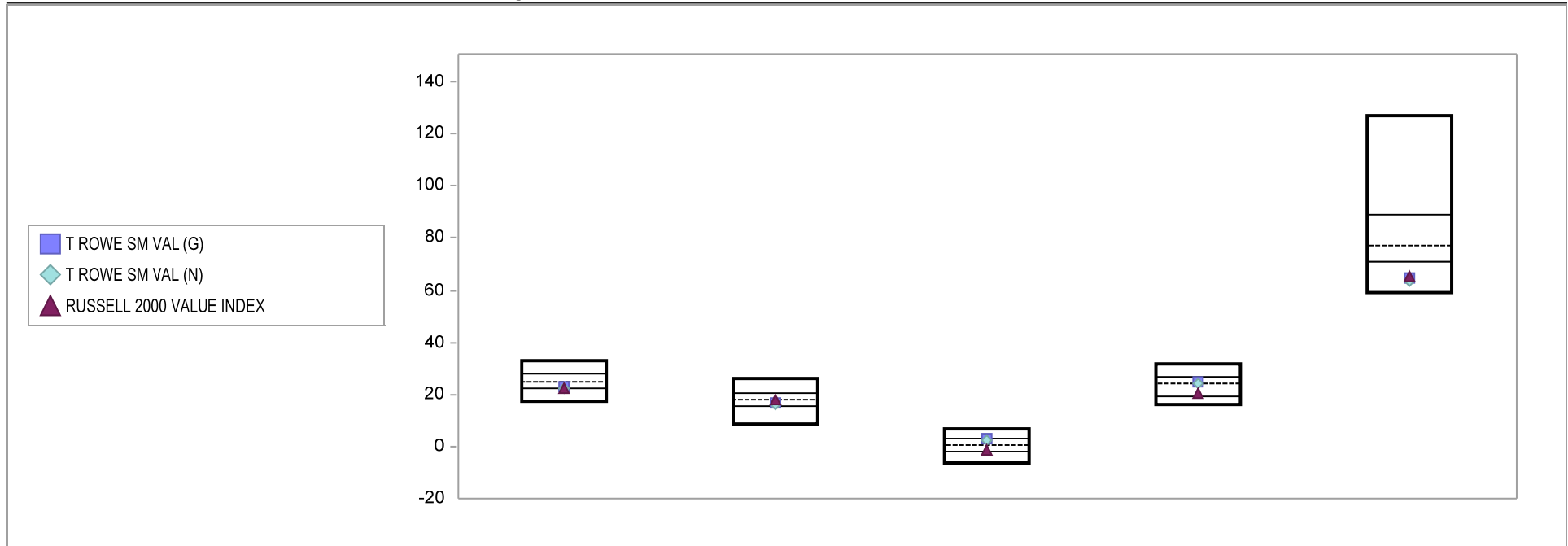


Equity Style - Small Value	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	5.2		15.8		26.6		33.1		26.9		19.3		21.6		33.4	
25th Percentile	2.8		13.5		24.1		28.0		23.8		15.9		18.3		27.8	
50th Percentile	2.0		11.6		21.7		24.9		21.4		14.1		16.9		25.8	
75th Percentile	0.9		9.9		19.4		22.4		19.4		12.4		15.1		23.6	
95th Percentile	-1.3		7.4		15.0		17.2		15.6		9.2		11.9		20.5	
T ROWE SM VAL (G)	0.9	76	11.4	53	20.8	60	23.2	67	20.0	67	14.1	50	16.8	51	25.1	58
T ROWE SM VAL (N)	0.7	77	11.0	58	20.2	67	22.4	75	19.2	76	13.3	61	16.0	63	24.2	68
RUSSELL 2000 VALUE INDEX	1.8	54	11.2	55	19.7	72	22.6	73	20.3	63	12.7	70	14.7	78	23.3	77

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

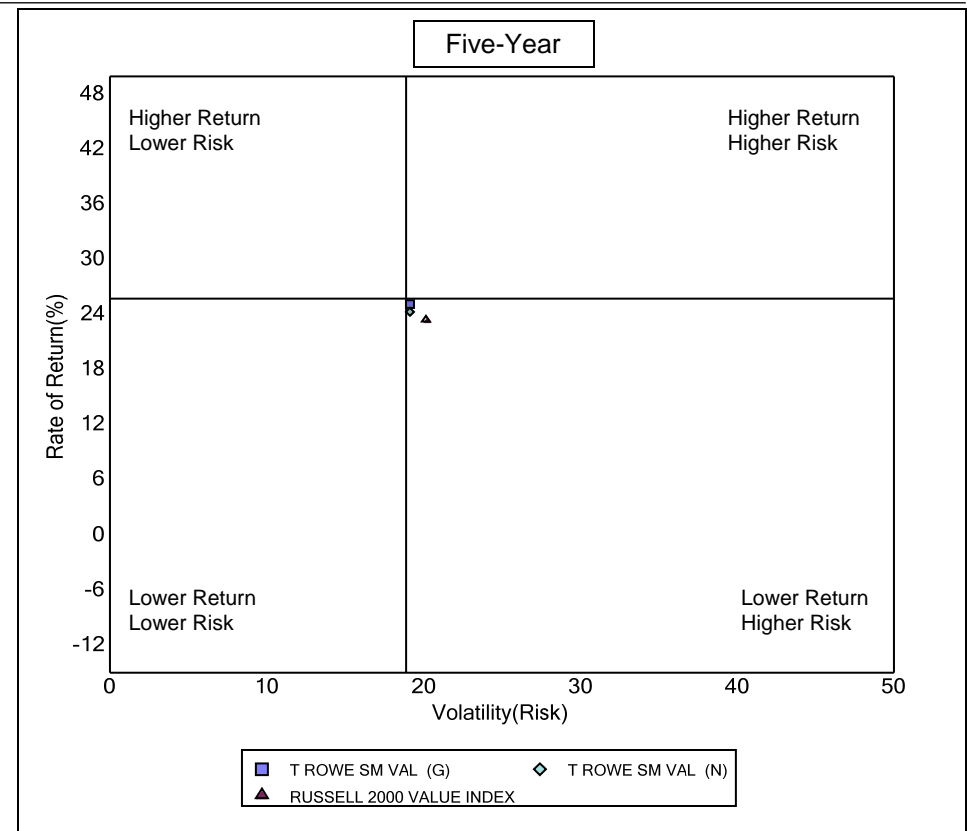
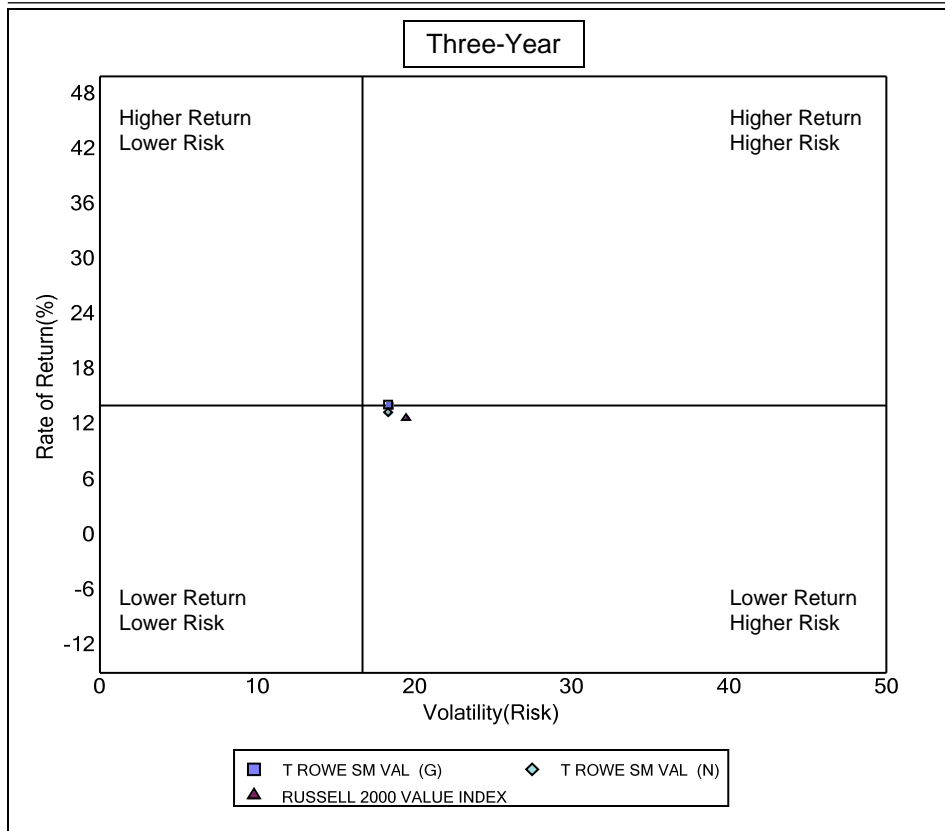


Equity Style - Small Value	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	33.1		26.4		6.7		31.6		126.9	
25th Percentile	28.0		20.6		3.2		26.6		89.3	
50th Percentile	24.9		18.0		0.7		24.4		77.4	
75th Percentile	22.4		15.3		-2.2		19.5		70.8	
95th Percentile	17.2		8.6		-6.3		16.0		59.0	
T ROWE SM VAL (G)	23.2	67	16.9	61	3.2	26	25.1	42	64.7	85
T ROWE SM VAL (N)	22.4	75	16.1	68	2.5	32	24.3	51	63.7	87
RUSSELL 2000 VALUE INDEX	22.6	73	18.1	49	-1.1	65	20.6	69	65.1	85

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
14.1	18.4	0.8
13.3	18.4	0.7
14.1	16.7	0.8
12.7	19.5	0.6

Category

T ROWE SM VAL (G)
T ROWE SM VAL (N)
Equity Style - Small Value Universe Median
RUSSELL 2000 VALUE INDEX

Five Year Return vs Risk

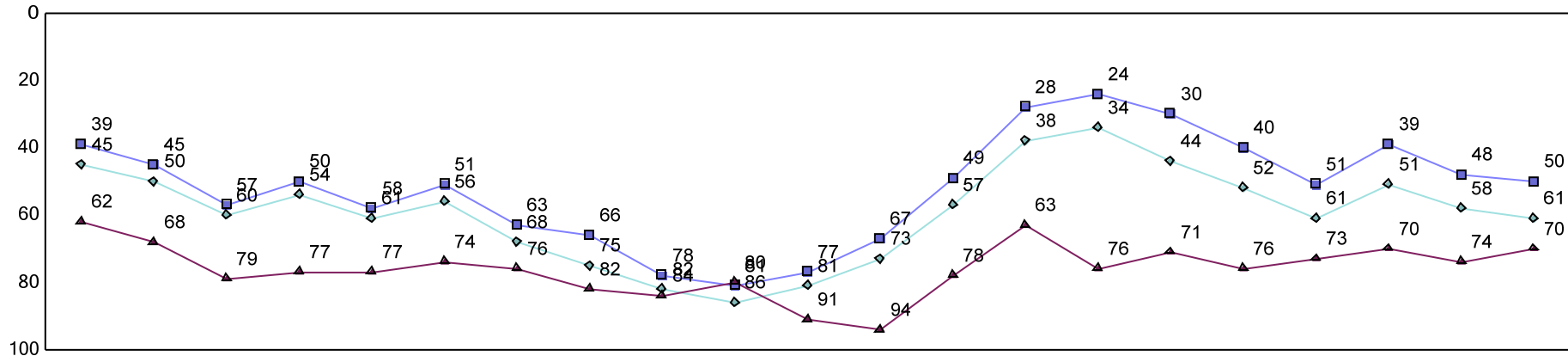
Annualized Return %	Standard Deviation %	Sharpe Ratio
25.1	19.2	1.3
24.2	19.2	1.3
25.8	18.9	1.4
23.3	20.2	1.1

Imperial County Employees' Retirement System

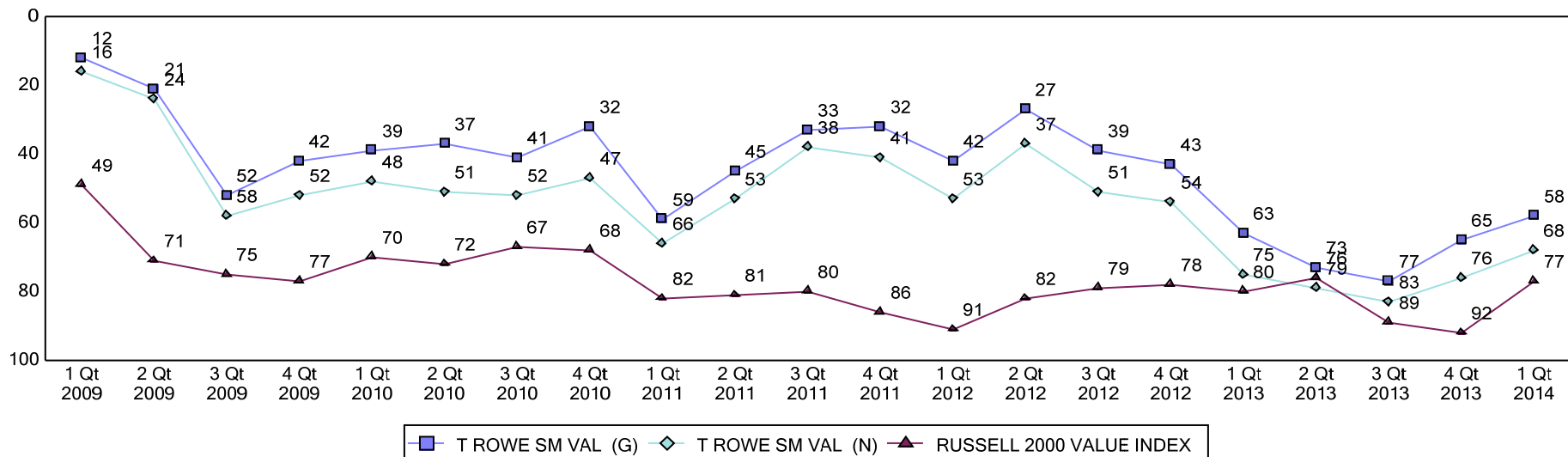
Rolling Return Ranking 3 & 5 Years

Period Ending: March 31, 2014

Ranking Comparisons - Rolling 3 Years



Ranking Comparisons - Rolling 5 Years



Note: data is ranked against the Equity Style - Small Value Universe

Imperial County Employees' Retirement System

Equity Only Summary Statistics

Period Ending: March 31, 2014

T ROWE SM VAL

	<u>Portfolio</u>	<u>RUSSELL 2000 VALUE INDEX</u>
Total Number of Securities	136	1,374
Total Market Value	32,450,347	
Average Market Capitalization (000's)	2,056,001	1,660,446
Equity Segment Yield	2.08	1.99
Equity Segment Price/Earnings Ratio	27.19	29.24
Equity Segment Beta	1.24	1.4
Price/Book Ratio	3.05	1.61
5 Year Earnings Growth	13.7%	10.3%

Ten Largest Holdings

Security	Market Value	Weight
HOME BANCSHARES INC	819,196	2.52
MIDDLEBY CORP	739,788	2.28
GENESEE & WYOMING INC-CL A	622,848	1.92
RAVEN INDUSTRIES INC	622,250	1.92
SVB FINANCIAL GROUP	579,510	1.79
LANDSTAR SYS INC CO	538,902	1.66
KIRBY CORP	536,625	1.65
AARON'S	526,176	1.62
EAST WEST BANCORP INC	485,961	1.50
ON ASSIGNMENT INC	474,657	1.46

Ten Best Performers

Security	Return	Weight
GASLOG LTD	37.0	0.37
ROYAL GOLD INC	35.9	0.74
EPL OIL & GAS INC	35.4	0.57
AMCOL INTERNATIONAL CORP	35.3	0.38
MATADOR RESOURCES CO	31.4	1.04
INTEVAC INC	30.6	0.45
TEXAS INDUSTRIES INC	30.3	0.47
CYBEROPTICS CORP	30.1	0.31
VEECO INSTRUMENTS INC	27.4	0.57
C&J ENERGY SERVICES INC	26.2	0.64

Ten Worst Performers

Security	Return	Weight
EMPLOYERS HOLDINGS INC	-35.9	0.34
MOMENTA PHARMACEUTICALS	-34.1	0.55
HIBBETT SPORTS INC	-21.3	1.44
COMFORT SYSTEMS USA INC.	-21.2	0.39
RAVEN INDUSTRIES INC	-20.2	1.92
AMERICAN PUBLIC EDUCATION	-19.3	0.34
FTI CONSULTING INC	-19.0	0.29
TRIPLE-S MANAGEMENT CORP B	-17.0	0.27
MEADOWBROOK INSURANCE	-15.9	0.35
PROGRESS SOFTWARE CORP	-15.6	0.48

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Top Ten Holding

Period Ending: March 31, 2014

T ROWE SM VAL

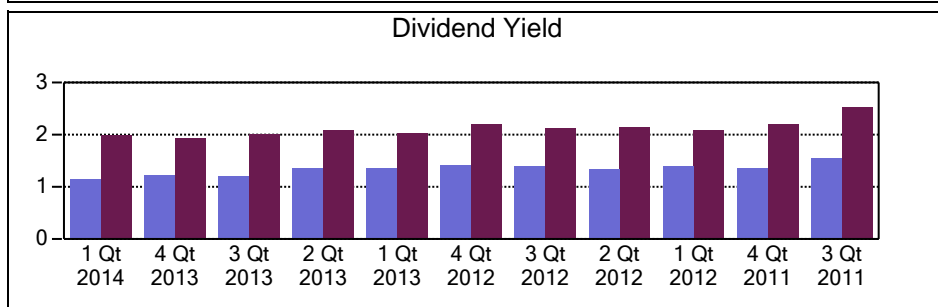
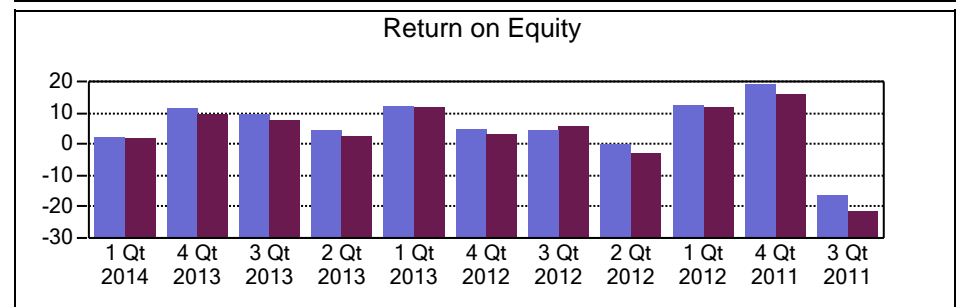
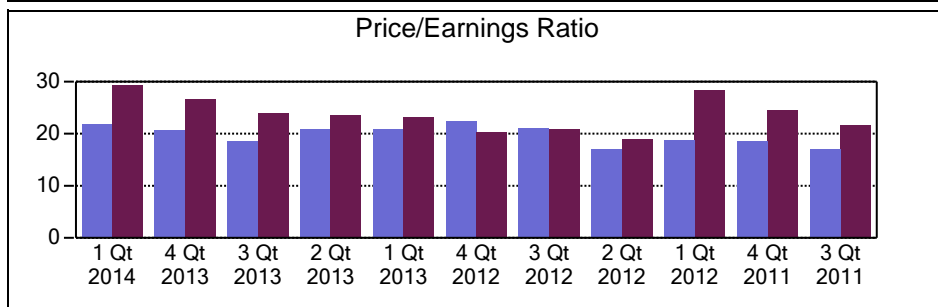
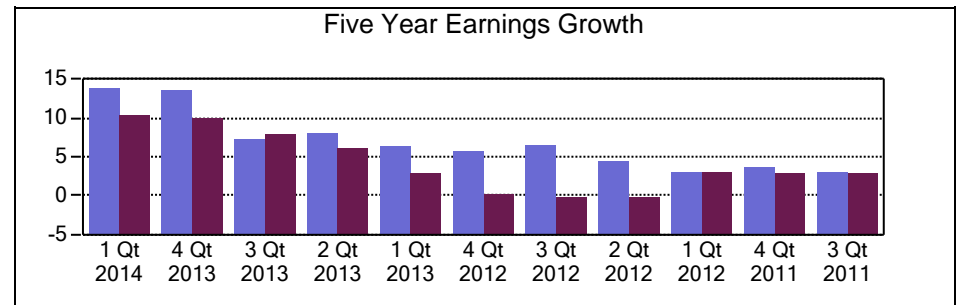
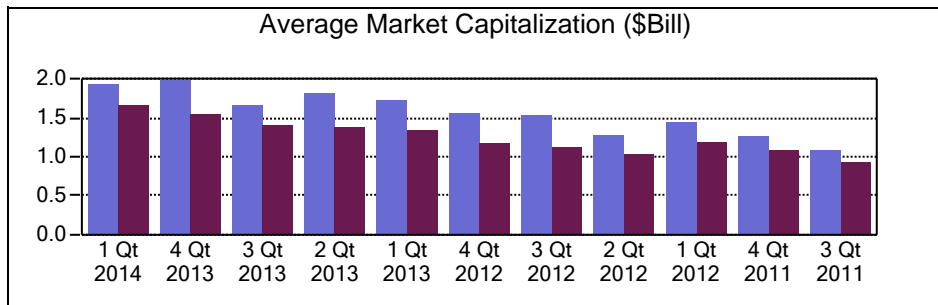
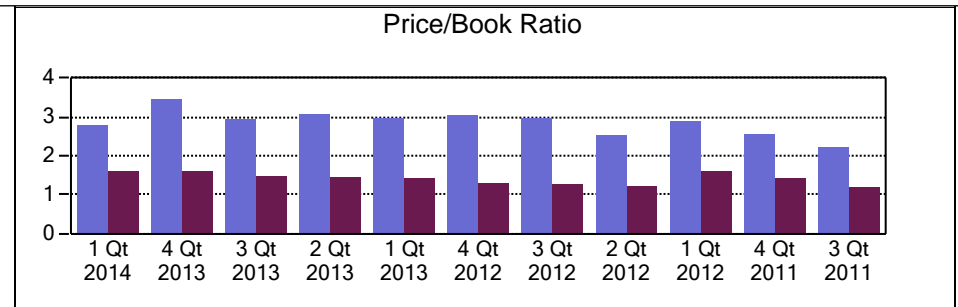
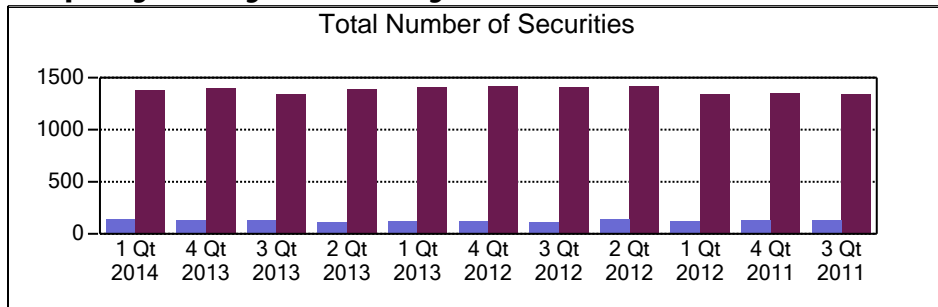
As Of 6/30/12		As Of 9/30/12		As Of 12/31/12		As Of 3/31/13	
RAVEN INDUSTRIES INC	3.0%	RAVEN INDUSTRIES	3.0%	3 D SYSTEMS CORP DEL NEW	2.6%	RAVEN INDUSTRIES	2.8%
3 D SYSTEMS CORP DEL NEW	2.5%	HIBBETT SPORTS	2.8%	RAVEN INDUSTRIES INC	2.4%	GENESEE & WYOMING 'A'	2.6%
HIBBETT SPORTS INC	2.2%	PROASSURANCE	2.4%	GENESEE & WYOMING INC-CL A	2.3%	LANDSTAR SYSTEM	2.2%
AARONS INC	2.2%	GENESEE & WYOMING 'A'	2.4%	AARONS INC	2.2%	HIBBETT SPORTS	2.1%
LANDSTAR SYS INC CO	2.1%	LANDSTAR SYSTEM	2.3%	LANDSTAR SYS INC CO	2.2%	PROASSURANCE	2.1%
PROASSURANCE CORP	2.0%	3D SYSTEMS	2.0%	HIBBETT SPORTS INC	2.1%	MIDDLEBY	2.0%
HUB GROUP INC CL A	1.9%	ROYAL GOLD	2.0%	PROASSURANCE CORP	2.0%	HUB GROUP 'A'	2.0%
AMERICAN VANGUARD CORP	1.6%	MIDDLEBY	1.9%	MIDDLEBY CORP	1.8%	3D SYSTEMS	1.9%
GENESEE & WYOMING INC-CL A	1.6%	HOME BANCSHARES	1.9%	HUB GROUP INC CL A	1.8%	KIRBY	1.7%
JPMORGAN US GOVT MORGAN SHARES	1.6%	HUB GROUP 'A'	1.9%	AMERICAN VANGUARD CORP	1.7%	HOME BANCSHARES	1.7%
Top Ten Total: 20.6%		Top Ten Total: 22.7%		Top Ten Total: 21.1%		Top Ten Total: 21.0%	

As Of 6/30/13		As Of 9/30/13		As Of 12/31/13		As Of 3/31/14	
HOME BANCSHARES INC	2.7%	HOME BANCSHARES INC	3.0%	HOME BANCSHARES INC	3.1%	HOME BANCSHARES INC	2.5%
RAVEN INDUSTRIES INC	2.6%	MIDDLEBY CORP	2.7%	RAVEN INDUSTRIES INC	2.8%	MIDDLEBY CORP	2.3%
3 D SYSTEMS CORP DEL NEW	2.6%	RAVEN INDUSTRIES INC	2.7%	MIDDLEBY CORP	2.6%	GENESEE & WYOMING INC-CL A	1.9%
GENESEE & WYOMING INC-CL A	2.4%	GENESEE & WYOMING INC-CL A	2.5%	GENESEE & WYOMING INC-CL A	2.1%	RAVEN INDUSTRIES INC	1.9%
MIDDLEBY CORP	2.4%	LANDSTAR SYS INC CO	2.1%	HIBBETT SPORTS INC	2.0%	SVB FINANCIAL GROUP	1.8%
PROASSURANCE CORP	2.3%	HIBBETT SPORTS INC	2.1%	KIRBY CORP	1.8%	LANDSTAR SYS INC CO	1.7%
HIBBETT SPORTS INC	2.2%	HUB GROUP INC CL A	1.9%	LANDSTAR SYS INC CO	1.8%	KIRBY CORP	1.7%
LANDSTAR SYS INC CO	2.1%	PROASSURANCE CORP	1.9%	PROASSURANCE CORP	1.7%	AARON'S	1.6%
HUB GROUP INC CL A	1.9%	KIRBY CORP	1.9%	HUB GROUP INC CL A	1.6%	EAST WEST BANCORP INC	1.5%
KIRBY CORP	1.9%	EAST WEST BANCORP INC	1.8%	SVB FINANCIAL GROUP	1.6%	ON ASSIGNMENT INC	1.5%
Top Ten Total: 23.0%		Top Ten Total: 22.5%		Top Ten Total: 21.1%		Top Ten Total: 18.3%	

Imperial County Employees' Retirement System

Equity Only Summary Statistics Charts

Period Ending: March 31, 2014

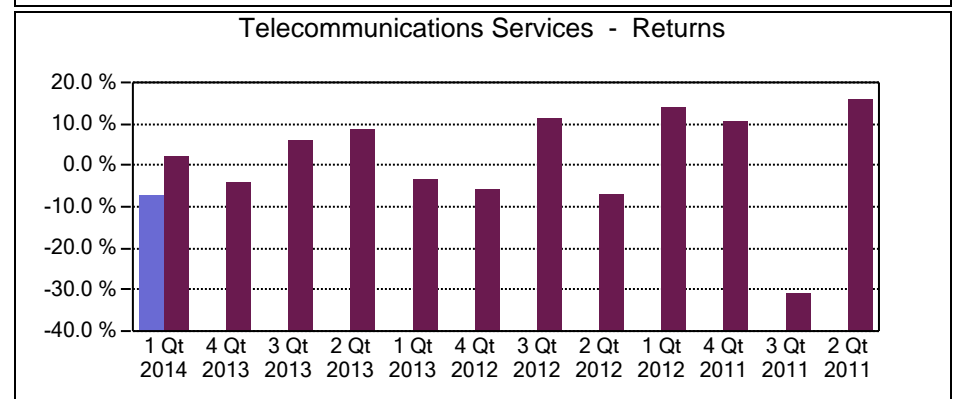
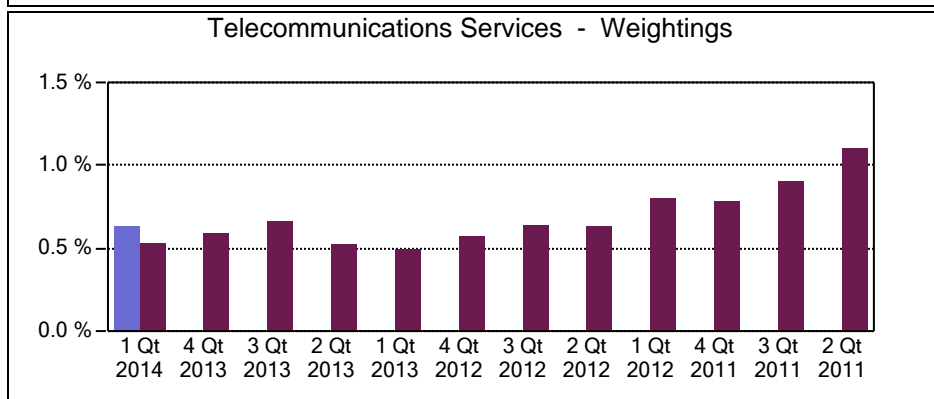
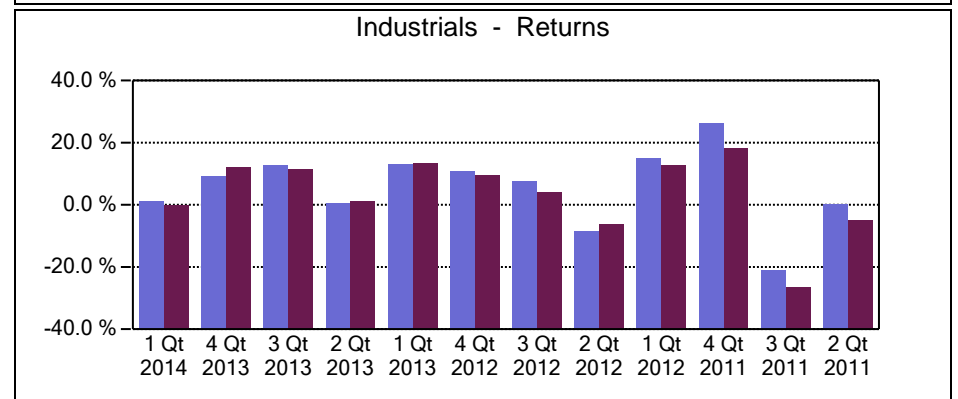
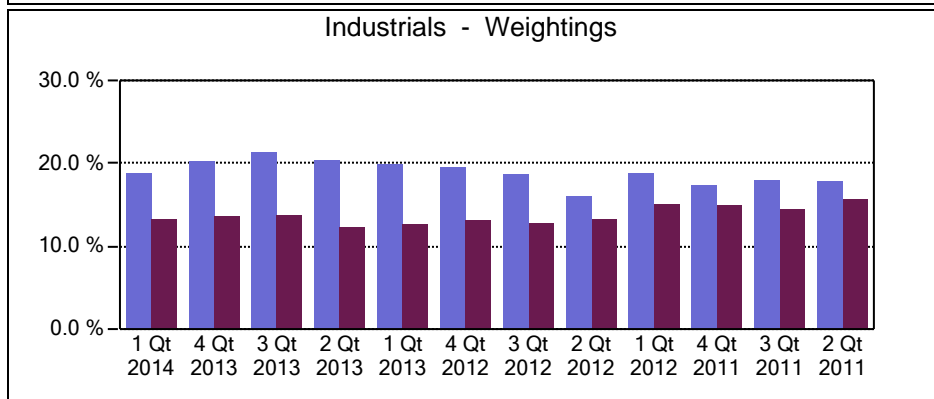
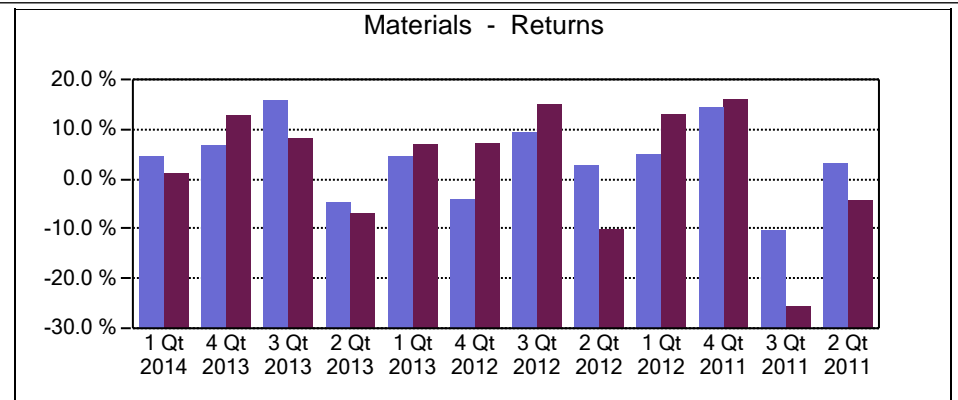
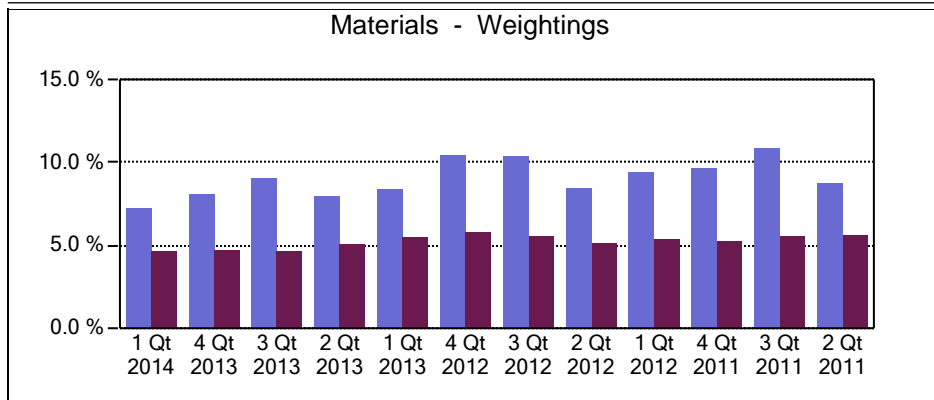


█ T ROWE SM VAL
█ RUSSELL 2000 VALUE INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



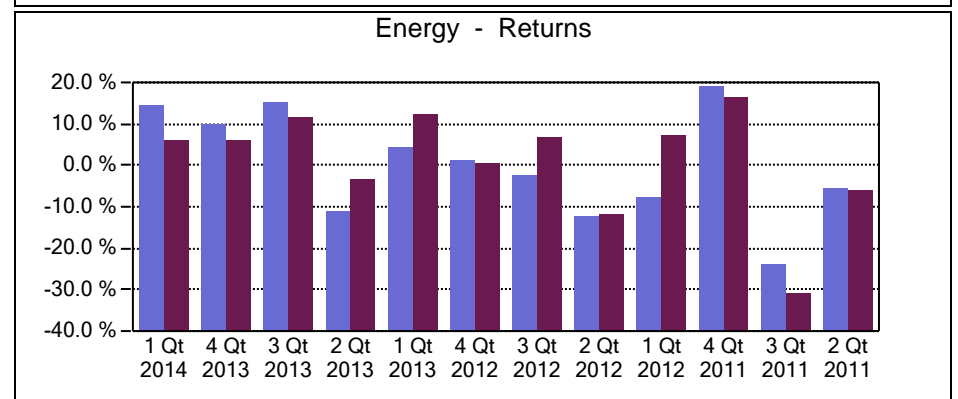
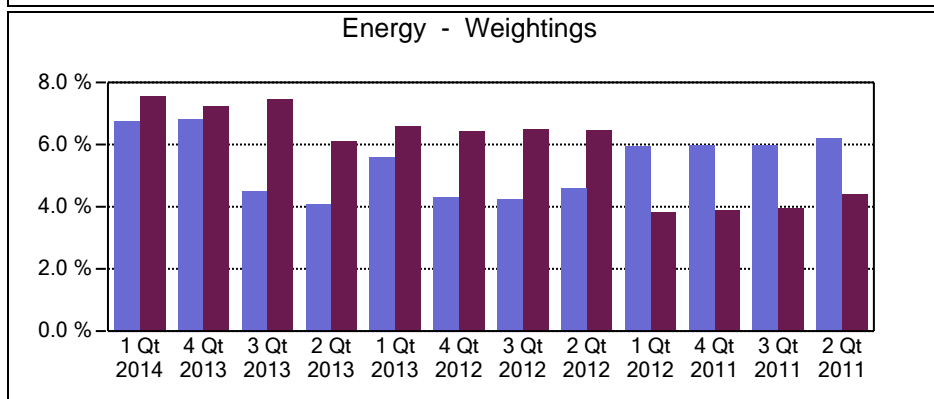
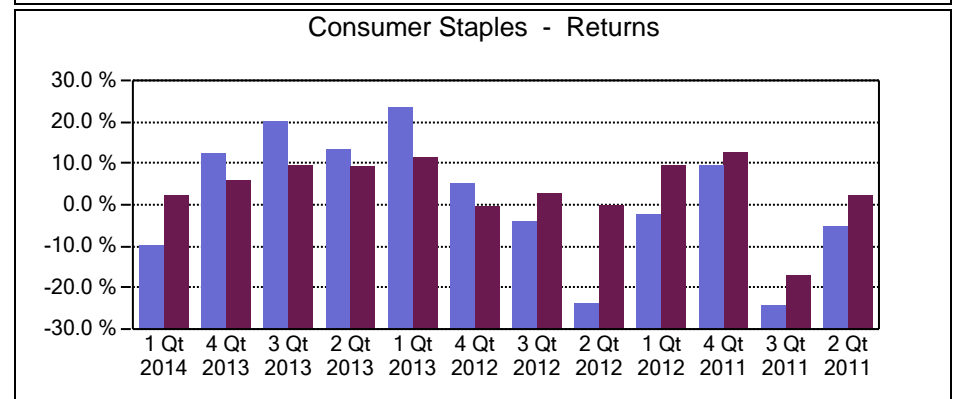
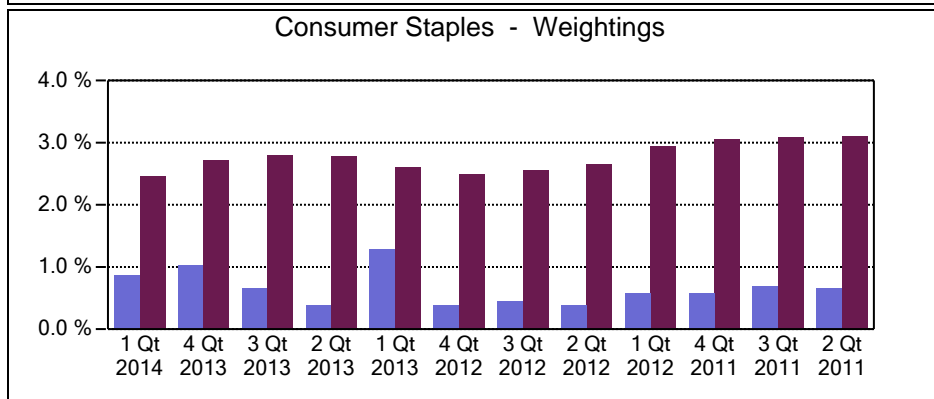
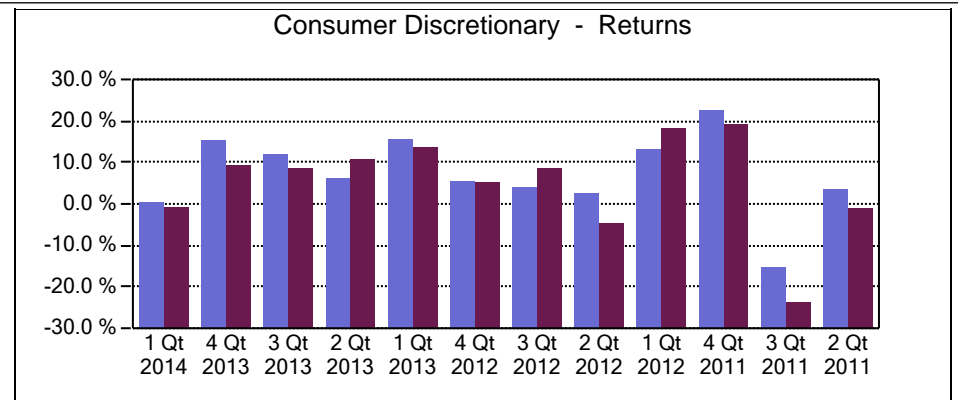
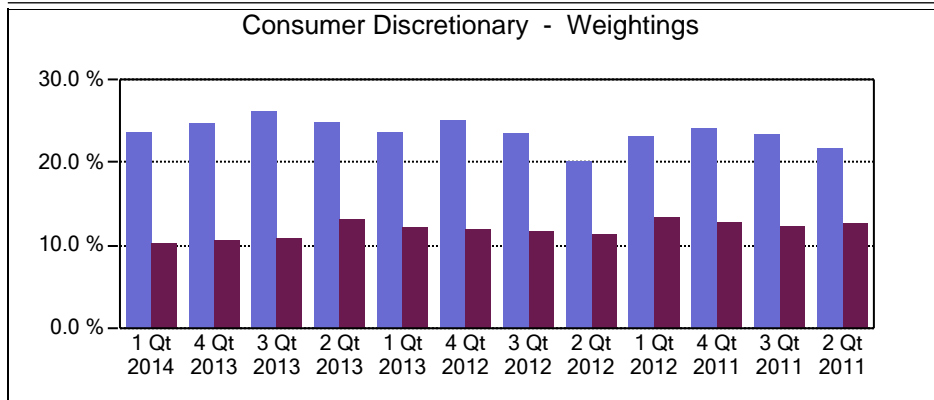
■ T ROWE SM VAL

■ RUSSELL 2000 VALUE INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



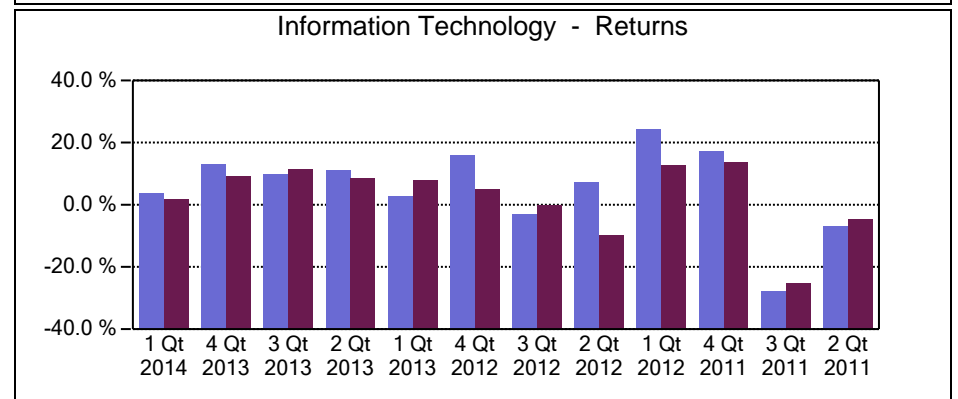
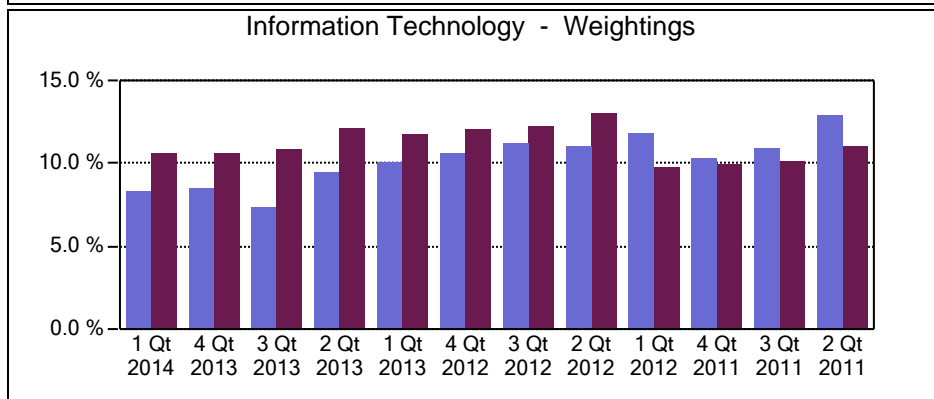
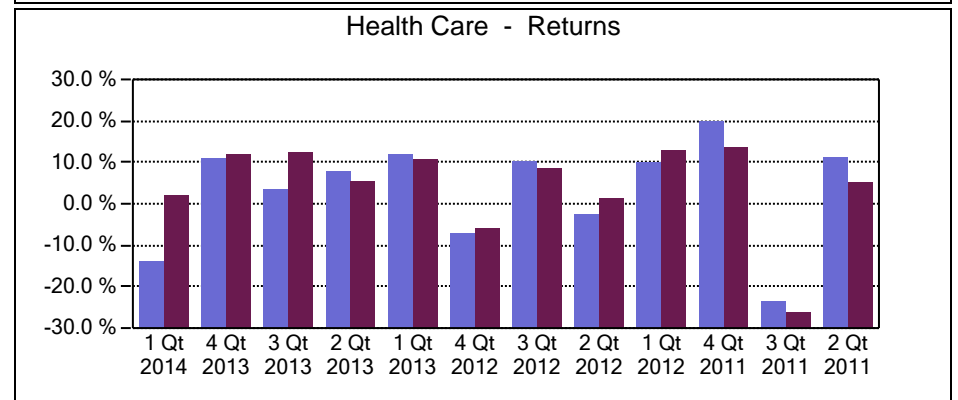
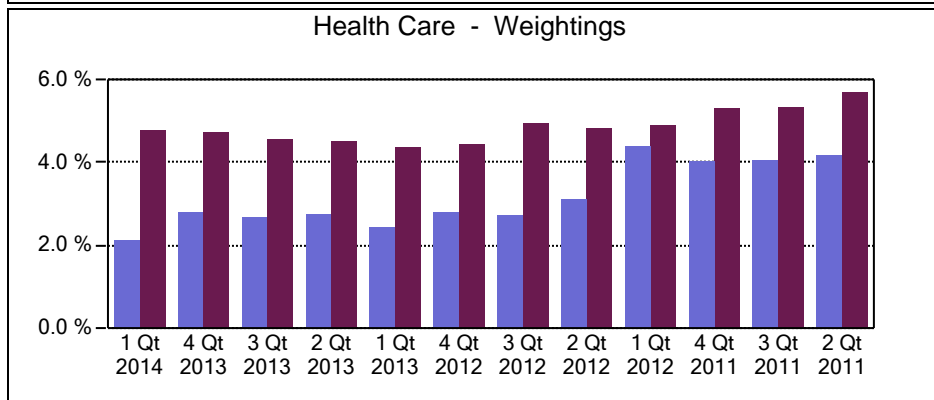
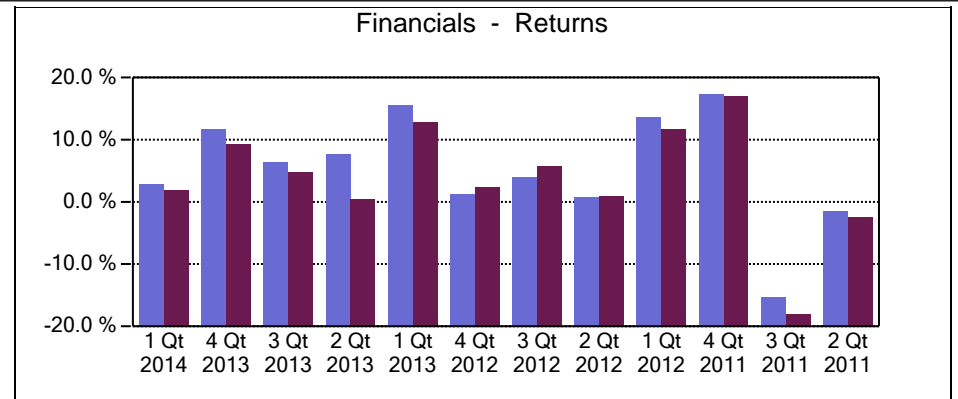
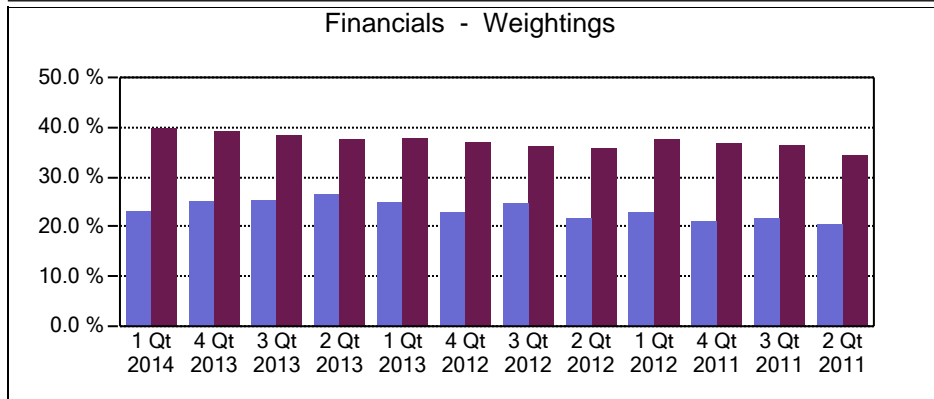
T ROWE SM VAL

RUSSELL 2000 VALUE INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



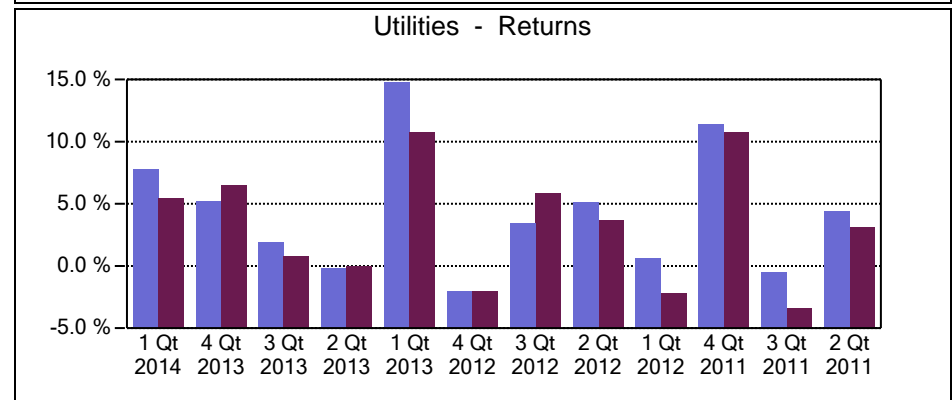
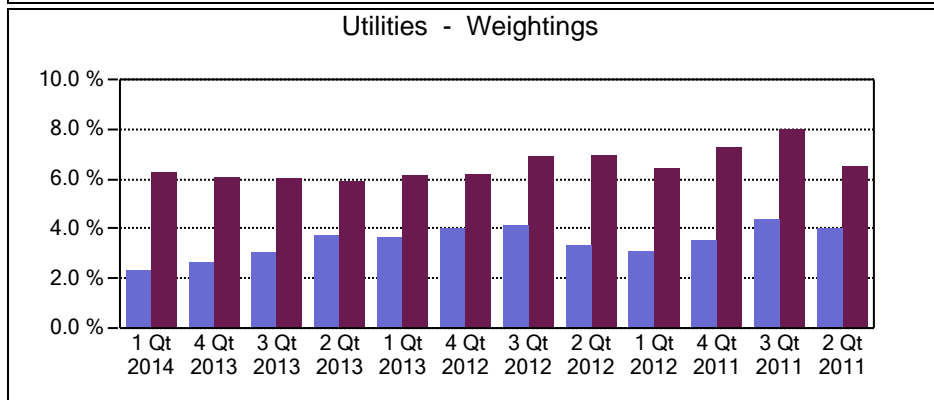
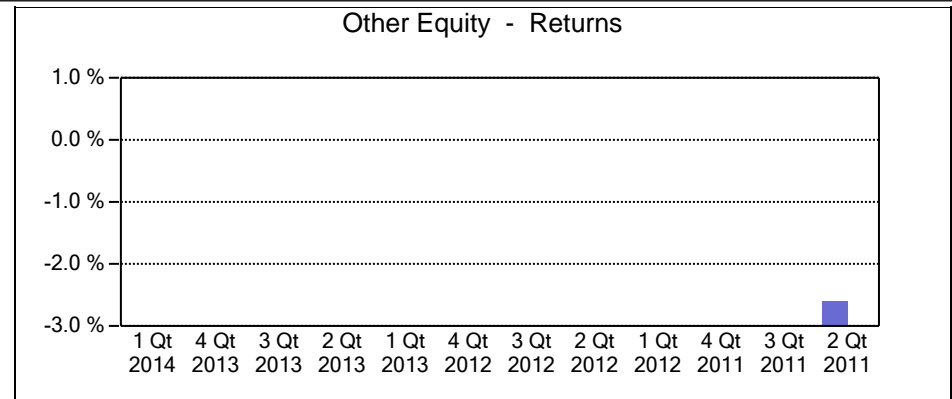
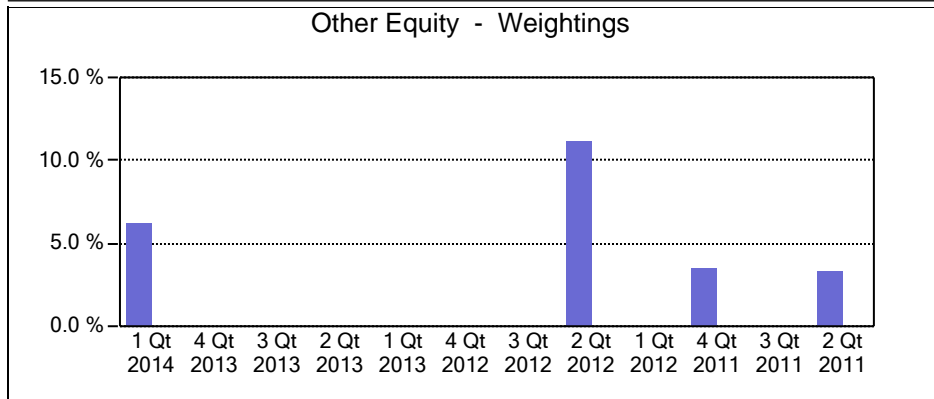
T ROWE SM VAL

RUSSELL 2000 VALUE INDEX

Imperial County Employees' Retirement System

Equity Only Sector Analysis

Period Ending: March 31, 2014



T ROWE SM VAL

RUSSELL 2000 VALUE INDEX

Imperial County Employees' Retirement System

Performance Attribution Geometric 1 Qtr

Period Ending: March 31, 2014

T ROWE SM VAL

	Portfolio		RUSSELL 2000 VALUE INDEX		Selection		
	Market Value	Return	Market Value	Return	Stock	Industry	Total
	A	B	C	D	E	F	G
Consumer Discretionary	24.8	-0.8	10.7	-0.7	0.0	-0.3	-0.4
Consumer Staples	1.0	-10.3	2.7	2.3	-0.1	0.0	-0.1
Energy	6.8	9.2	7.2	6.1	0.2	0.0	0.2
Financials	25.2	1.5	39.2	1.8	-0.1	0.0	-0.1
Health Care	2.8	-16.0	4.7	1.9	-0.5	0.0	-0.5
Industrials	20.2	-0.2	13.6	-0.2	0.0	-0.1	-0.1
Information Technology	8.5	2.1	10.6	1.6	0.0	0.0	0.0
Materials	8.1	3.6	4.7	1.2	0.2	0.0	0.2
Telecommunications Services	0.0	0.0	0.6	2.1	0.0	0.0	0.0
Utilities	2.6	7.1	6.1	5.5	0.0	-0.1	-0.1
	100.0	0.9	100.0	1.8	-0.2	-0.7	-0.9

Contributors

Stock Energy
Materials

Industry Information Technology
Telecommunications Services

Detractors

Stock Health Care
Consumer Staples

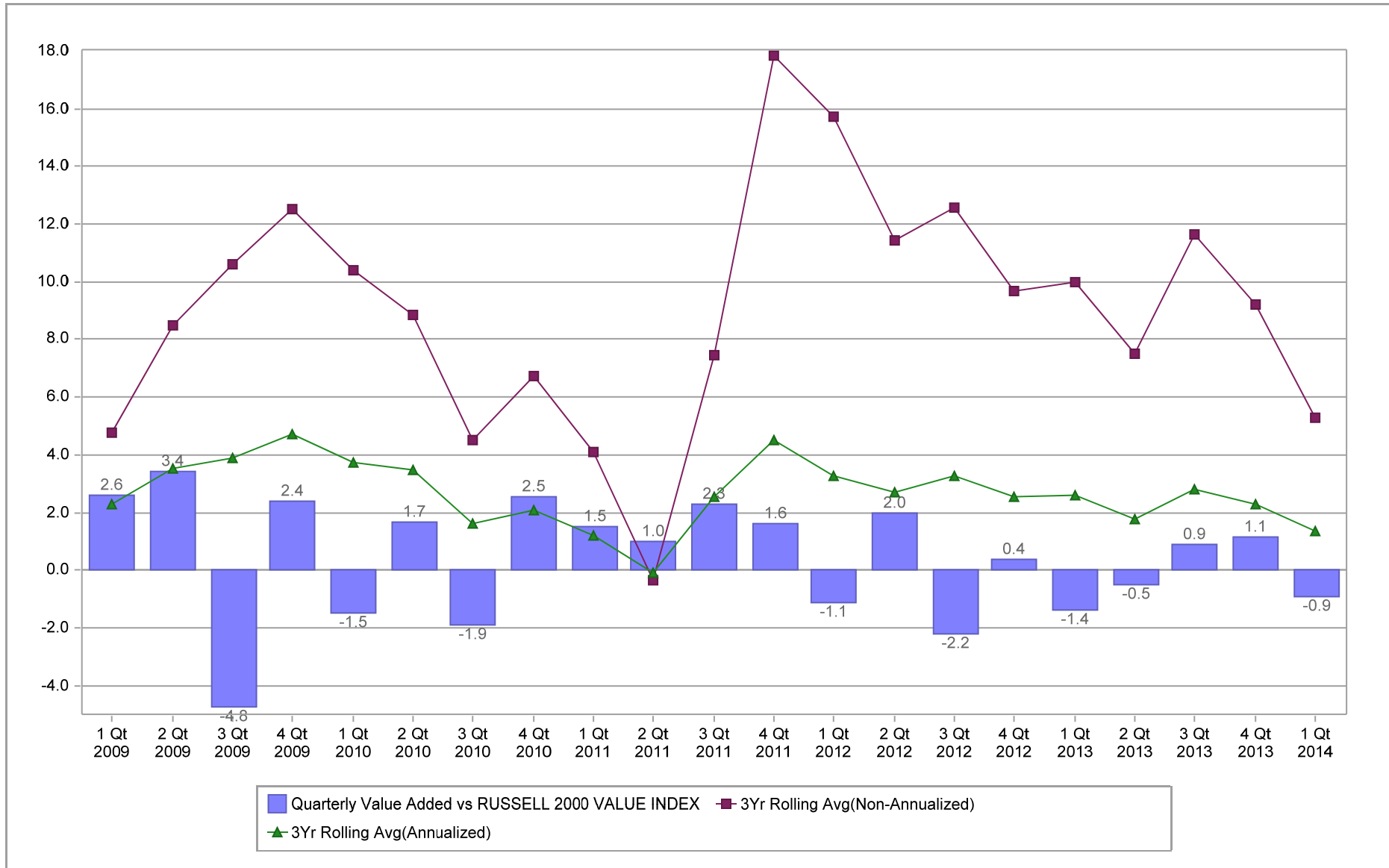
Industry Consumer Discretionary
Industrials

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

Three Years Rolling for T ROWE SM VAL (in %)



Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Consumer Discretionary									
AARON'S	17,400	30.24	1.6	2.18	0.3	19.2	1.9	1.0	2.9
BEACON ROOFING SUPPLY INC	9,000	38.66	1.1						
CAVCO INDUSTRIES INC	4,200	78.45	1.0	0.69		47.1	3.2	1.3	14.2
COMFORT SYSTEMS USA INC.	8,300	15.24	0.4	0.57	1.4	21.0	2.1	1.5	-21.2
CSS INDS INC	4,800	27.00	0.4	0.25	2.2	14.3	1.0	1.1	-5.3
CULP INC.	6,900	19.74	0.4	0.24	1.0	13.3	2.5	0.9	-3.0
DREW INDUSTRIES INC COM	7,200	54.20	1.2	1.28		25.7	4.0	1.6	5.9
ELECTRO-RENT CORP	11,300	17.59	0.6	0.42	4.5	18.9	1.8	1.2	-4.0
FREDS INC	5,600	18.01	0.3	0.66	1.3	25.4	1.5	0.9	-2.2
FTI CONSULTING INC	2,850	33.34	0.3	1.36			1.3	0.6	-19.0
G & K SERVICES INC -CL A	3,300	61.17	0.6	1.22	1.8	28.6	2.6	1.5	-1.3
HAVERTY FURN COS INC	7,600	29.70	0.7	0.60	1.1	23.4	2.2	1.3	-4.9
HIBBETT SPORTS INC	8,850	52.88	1.4	1.37		19.6	4.5	1.1	-21.3
KATE SPADE & CO	12,500	37.09	1.4	4.69		63.5		1.9	15.7
MERITAGE HOMES CORPORATION	3,000	41.88	0.4	1.64		12.9	1.8	1.5	-12.7
MIDDLEBY CORP	2,800	264.21	2.3	5.08		32.2	6.0	1.4	10.2
MODINE MFG CO	22,800	14.65	1.0	0.70		80.9	2.6	2.3	14.3
NAVIGANT CONSULTING CO	6,700	18.66	0.4	0.91		18.2	2.0	0.9	-2.8
ORIENT EXPRESS HOTELS LTD A	13,000	14.41	0.6	1.49			1.9	2.1	-4.6
POOL CORP	6,400	61.32	1.2	2.77	1.2	30.0	9.7	1.3	5.8
PREMIERE GLOBAL SERVICES INC	11,100	12.06	0.4	0.58		30.8	2.1	1.4	4.1
PRICESMART INC	3,400	100.93	1.1	3.05	0.7	35.7	6.3	1.0	-12.3
QUANEX BUILDING PRODUCTS	7,900	20.68	0.5	0.78	0.8		1.8	1.4	4.0
RAVEN INDUSTRIES INC	19,000	32.75	1.9	1.19	1.5	28.0	4.7	0.9	-20.2
STEIN MART INC	10,100	14.01	0.4	0.63	1.4	24.7	2.4	1.7	4.2
SUN HYDRAULICS INC	5,300	43.31	0.7	1.14	0.8	31.1	6.0	1.8	6.5
TEXAS INDUSTRIES INC	1,700	89.62	0.5	2.58		118.1	3.4	1.3	30.3
UNIVERSAL FOREST PRODUCT	6,200	55.34	1.1	1.10	0.8	25.7	1.7	1.3	6.1
WINNEBAGO INDUSTRIES	8,500	27.39	0.7	0.75		21.5	4.5	1.7	-0.2
			24.7	1.89	1.2	33.4	3.8	1.4	0.4
Consumer Staples									
AMERICAN PUBLIC EDUCATION	3,100	35.08	0.3	0.62		14.9	3.0	0.8	-19.3
SPARTAN STORES INC	7,600	23.21	0.5	0.88	2.1	60.6	1.5	0.7	-3.9
			0.9	0.78	2.1	43.2	2.1	0.7	-9.8

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Energy									
C&J ENERGY SERVICES INC	7,100	29.16	0.6	1.62		17.9	2.3	1.2	26.2
CARBO CERAMICS INC	1,700	137.99	0.7	3.19	0.9	37.6	4.1	1.4	18.7
CHESAPEAKE UTILITIES COR	4,800	63.16	0.9	0.61	2.4	18.7	2.2	0.6	5.9
CLOUD PEAK ENERGY INC	7,900	21.14	0.5	1.30		24.9	1.3	1.1	17.4
CONTANGO OIL & GAS COMPANY	5,200	47.74	0.8	0.92		19.4	1.7	1.1	1.0
EPL OIL & GAS INC	4,800	38.60	0.6	1.51		18.0	2.4	1.4	35.4
MATADOR RESOURCES CO	13,800	24.49	1.0	1.61		32.0	2.8		31.4
NORTHERN OIL AND GAS INC	22,100	14.62	1.0	0.90		17.3	1.5	1.5	-3.0
TETRA TECHNOLOGIES DEL	14,000	12.80	0.6	1.01			1.8	2.1	3.6
			6.7	1.38	1.8	23.4	2.3	1.3	14.5

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Financials									
ACADIA REAL.TST.SHRE. BEN INT	7,100	26.38	0.6	1.49	3.5	28.7	2.1	1.0	7.2
ARES CAPITAL CORP	16,500	17.62	0.9	5.25	8.6	9.6	1.1	1.1	1.6
ASCENT CAPITAL GROUP INC	3,300	75.55	0.8						
ASSURED GUARANTY LTD	5,200	25.32	0.4	4.62	1.7	4.6	0.9	1.9	7.8
BANK OF KENTUCKY FINL CORP	4,000	37.54	0.5						
COBIZ FINANCIAL INC	23,100	11.52	0.8	0.47	1.2	17.5	1.7	0.9	-3.4
COLUMBIA BKG SYS INC	9,600	28.52	0.8	1.47	1.7	23.6	1.4	1.4	4.2
EAST WEST BANCORP INC	13,314	36.50	1.5	5.23	2.0	17.5	2.2	1.9	4.9
EMPLOYERS HOLDINGS INC	5,420	20.23	0.3	0.63	1.2	10.1	1.5	1.1	-35.9
FIRST POTOMAC REALTY TRUST	14,200	12.92	0.6	0.76	4.6		1.3	0.9	12.4
GLACIER BANCORP INC	12,800	29.07	1.2	2.16	2.2	22.3	2.3	1.3	-2.4
HATTERAS FINANCIAL CORP	4,100	18.85	0.2	1.82	10.6		0.9	0.3	18.5
HERCULES TECHNOLOGY GROWTH	18,500	14.07	0.8	0.87	8.8	8.1	1.3	1.2	-12.5
HOME BANCSHARES INC	23,800	34.42	2.5	2.24	0.9	30.2	3.8	1.1	-7.6
ISHARES RUSSELL 2000 VALUE FD	2,600	100.84	0.8	6.01	2.1			1.3	1.7
JMP GROUP INC	9,000	7.11	0.2	0.16	2.5	39.3	1.3	1.6	-3.3
KCAP FINANCIAL INC	7,500	8.66	0.2						
KILROY REALTY CORP	5,100	58.58	0.9	4.82	2.4		2.1	1.2	17.4
KITE REALTY GROUP TRUST	25,800	6.00	0.5	0.79	4.3		1.2	1.4	-7.8
LASALLE HOTEL PPTYS	9,300	31.31	0.9	3.26	3.6	44.1	1.8	1.8	2.4
MEADOWBROOK INSURANCE	19,500	5.83	0.4	0.29	1.4		0.7	0.7	-15.9
NATIONAL INTERSTATE CORP	6,400	26.81	0.5	0.53	1.8	30.2	1.5	0.7	17.0
PIPER JAFFRAY COS	3,000	45.80	0.4	0.68		17.0	1.0	1.5	15.8
POTLATCH CORP	5,500	38.69	0.7	1.57	3.6	22.3	7.7	1.1	-6.5
PROASSURANCE CORP	10,200	44.53	1.4	2.69	2.7	9.3	1.1	0.6	-7.5
REDWOOD TRUST INC	12,400	20.28	0.8	1.67	5.5	9.7	1.3	0.9	6.1
SAFEGUARD SCIENTIFICS IN	4,900	22.18	0.3	0.47			1.7	1.6	10.4
SAUL CENTERS INC	5,900	47.36	0.9	0.97	3.4	82.9	10.1	0.8	0.0
SIGNATURE BANK	2,100	125.59	0.8	5.79		26.4	3.6	0.9	16.9
SVB FINANCIAL GROUP	4,500	128.78	1.8	5.92		27.4	3.0	1.7	22.8
TERRENO REALTY CORP	9,300	18.91	0.5	0.47	2.8		1.2	0.6	6.8
TRIPLEPOINT VENTURE GROWTH BDC CORP	7,100	16.24	0.4						
WINTRUST FINL CORP CO	5,000	48.66	0.8	2.25	0.4	17.7	1.3	1.3	5.8
			25.0	2.78	3.0	24.3	2.5	1.2	2.6

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Health Care									
ANALOGIC CORP	2,200	82.11	0.6						
LEXICON PHARMACEUTICALS INC	42,500	1.73	0.2	0.89			5.2	1.5	-3.8
MOMENTA PHARMACEUTICALS	15,200	11.65	0.6	0.61			2.3	1.1	-34.1
NATIONAL HEALTHCARE CORP	2,700	55.77	0.5	0.79	2.3	16.6	1.5	0.8	4.1
NATL HLTHCARE CVT PFD 0% 1/24 SER A	4,991	14.75	0.2						
QUIDEL CORP	7,200	27.30	0.6	0.93			4.6	0.9	-11.6
TRIPLE-S MANAGEMENT CORP B	5,400	16.14	0.3	0.40		8.0	0.7	0.9	-17.0
			2.9	0.75	2.3	13.4	2.9	1.0	-10.1
Industrials									
AEGION CORP	8,600	25.31	0.7	0.96		22.3	1.4	1.4	15.6
BELDEN INC	5,300	69.60	1.1						
CIRCOR INTERNATIONAL INC	1,100	73.33	0.3	1.29	0.2	27.4	2.7	1.2	-9.2
CLEARWATER PAPER CORP	4,600	62.67	0.9	1.31		13.0	2.2	1.4	19.4
FRANKLIN ELECTRIC CO INC	6,200	42.52	0.8	2.03	0.7	25.3	3.4	1.4	-4.6
GASLOG LTD	5,200	23.29	0.4	1.77	2.1		2.4		37.0
GENESEEE & WYOMING INC-CL A	6,400	97.32	1.9	5.06		20.5	2.4	1.3	1.3
HUB GROUP INC CL A	11,800	39.99	1.5	1.47		21.4	2.7	1.1	0.3
KAMAN CORP	6,600	40.68	0.8	1.09	1.6	19.5	2.1	1.4	2.8
KIRBY CORP	5,300	101.25	1.7	5.76		22.8	2.9	1.2	2.0
LANDSTAR SYS INC CO	9,100	59.22	1.7	2.67	0.4	24.2	5.9	0.9	3.2
LITTELFUSE INC	3,000	93.64	0.9	2.11	0.9	23.8	3.1	1.6	1.0
MCGRATH RENTCORP	10,100	34.96	1.1	0.90	2.8	20.6	2.2	1.0	-11.6
METHODE ELECTRONICS	8,400	30.66	0.8	1.20	1.2	20.1	3.9	1.3	-10.1
NORDSON CORP	5,000	70.49	1.1	4.54	1.0	21.3	5.1	1.5	-4.9
ON ASSIGNMENT INC	12,300	38.59	1.5	2.08		24.9	3.3	1.9	10.5
RBC BEARINGS INC	2,500	63.70	0.5	1.48		28.1	3.2	1.2	-10.0
SKYWEST INC	9,700	12.76	0.4	0.66	1.3	11.4	0.5	1.2	-13.4
TEEKAY TANKERS LTD CL A	22,600	3.54	0.3	0.30	3.4		1.0	1.9	-9.2
UNIVERSAL TRUCKLOAD SERVICES	6,200	28.90	0.6	0.87	1.0	17.2	8.2	1.2	-5.0
US ECOLOGY INC	5,400	37.12	0.6	0.80	1.9	21.6	3.5	1.0	0.5
WOODWARD INC	5,220	41.53	0.7	2.79	0.8	20.3	2.5	1.6	-8.8
			19.9	2.49	1.3	21.6	3.2	1.3	1.0

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Information Technology									
ADVANCED ENERGY INDS.	13,600	24.50	1.0	1.01		31.1	2.4	1.4	7.2
BROOKS AUTOMATION INC	11,800	10.93	0.4	0.73	2.9	69.6	1.2	1.3	5.0
CABOT MICROELECTRONICS CORP	7,100	44.00	1.0	1.08		20.2	3.1	1.1	-3.7
CALLIDUS SOFTWARE INC	10,800	12.52	0.4	0.57			13.5	0.9	-8.8
CYBEROPTICS CORP	12,000	8.31	0.3	0.05			1.4	0.8	30.1
ELECTRO SCIENTIFIC INC	11,300	9.85	0.3	0.29	3.2		1.1	1.1	-5.0
FABRINET	9,800	20.77	0.6	0.73		16.0	2.2	0.7	1.0
INTEVAC INC	15,200	9.70	0.5	0.23			1.8	1.3	30.6
KRATOS DEFENSE & SECURITY SOLUTIONS INC	14,800	7.54	0.3	0.43			1.5	1.1	-1.8
LANDAUER INC	2,200	45.33	0.3	0.43	4.9		6.4	0.9	-12.9
MAXLINEAR INC-CLASS A	20,000	9.48	0.6	0.26			3.9	0.6	-9.1
MSA SAFETY INC	3,200	57.00	0.6	2.13	2.1	24.4	3.8	1.4	11.9
PROGRESS SOFTWARE CORP	7,100	21.80	0.5	1.12		16.1	2.2	1.5	-15.6
SABA SOFTWARE INC	16,000	12.15	0.6	0.36			7.9	1.3	-0.8
VEECO INSTRUMENTS INC	4,400	41.93	0.6	1.68			2.1	1.6	27.4
ZYGO CORP	7,200	15.19	0.3	0.29		29.1	1.5	1.4	2.8
			8.3	0.81	3.1	27.4	3.5	1.2	3.5
Materials									
AMCOL INTERNATIONAL CORP	2,670	45.78	0.4	1.49	1.7	48.2	3.2	1.6	35.3
AMERICAN VANGUARD CORP	12,200	21.65	0.8						
CARPENTER TECHNOLOGY	4,400	66.04	0.9	3.50	1.1	25.8	2.7	1.6	6.5
CATCHMARK TIMBER TRUST INC-A	3,300	14.05	0.1	0.22	3.1				1.9
DELTIC TIMBER CORP	3,400	65.23	0.7	0.83	0.6	31.8	3.1	0.9	-3.8
HAWKINS INC	6,500	36.74	0.7	0.39	2.0	21.7	2.3	1.1	-0.2
INNOSPEC INC	5,000	45.23	0.7	1.10	2.2	14.0	2.7	1.7	-2.1
MYERS INDUSTRIES INC	12,800	19.92	0.8	0.67	2.6	26.1	2.8	1.4	-5.1
PENFORD CORP	6,800	14.36	0.3	0.18		65.9	2.2	1.2	11.8
ROYAL GOLD INC	3,842	62.62	0.7	4.04	1.3	95.3	1.7	0.4	35.9
SCHNITZER STEEL INDS INC-A	5,100	28.85	0.5	0.76	2.6		0.7	1.9	-11.1
STILLWATER MINING CO.	7,800	14.81	0.4	1.77			2.1	2.2	20.0
WEST PHARMACEUTICAL SERVICES	8,000	44.05	1.1	3.11	0.9	28.0	3.4	0.7	-10.0
			8.1	1.83	1.6	36.5	2.6	1.2	4.0
Telecommunications Services									
SHORETEL INC	24,000	8.60	0.6	0.53			3.3	1.4	-7.3
			0.6	0.53			3.3	1.4	-7.3

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Portfolio Holdings And Characteristics - Equity

Period Ending: March 31, 2014

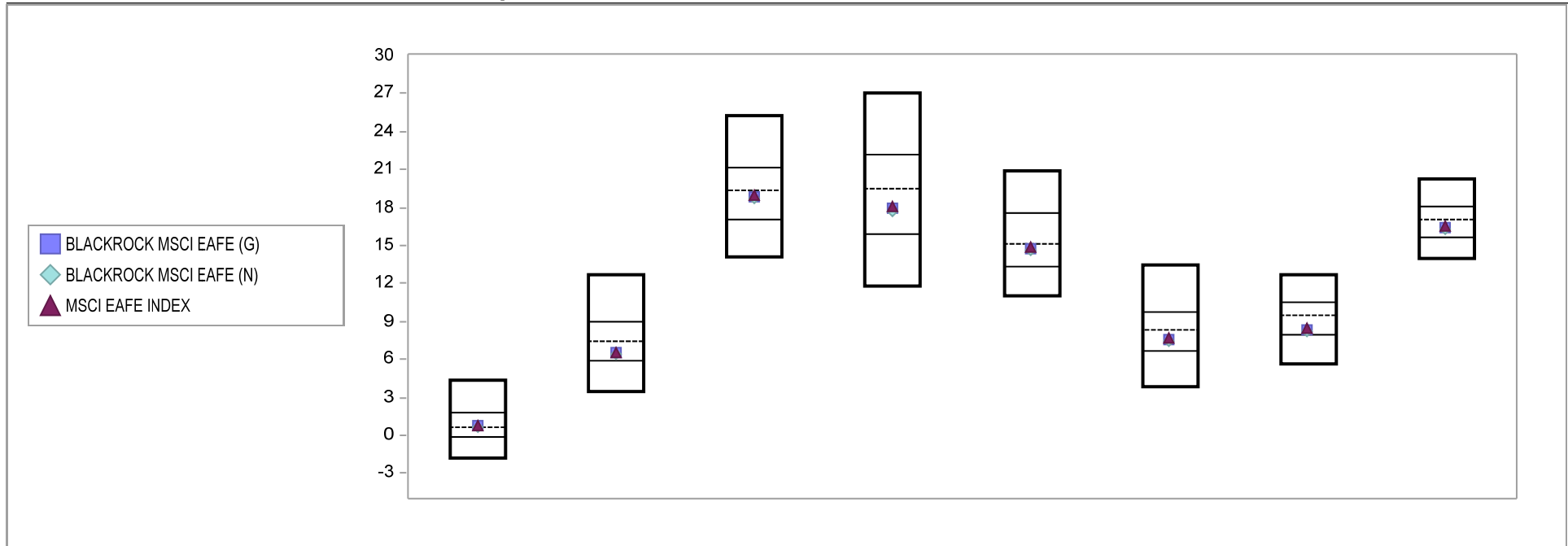
T ROWE SM VAL	Shares	Price	Portfolio Weight	Market Cap	Dividend Yield	Price / Earnings	Price / Book	Beta	Quarterly Return
Utilities									
BLACK HILLS CORP	3,500	57.65	0.6						
CLECO CORPORATION	6,400	50.58	1.0	3.09	2.9	19.1	1.9	0.6	9.3
EL PASO ELEC CO CO	5,900	35.73	0.7	1.44	3.0	16.2	1.7	0.5	2.6
NORTHWESTERN CORP	4,600	47.43	0.7	1.84	3.4	19.3	1.8	0.7	10.5
			2.9	2.26	3.0	18.3	1.8	0.6	6.1
T ROWE SM VAL			100.0	2.06	2.1	27.2	3.0	1.2	2.3

Holding Based Beta - Beta is calculated based on Holdings

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

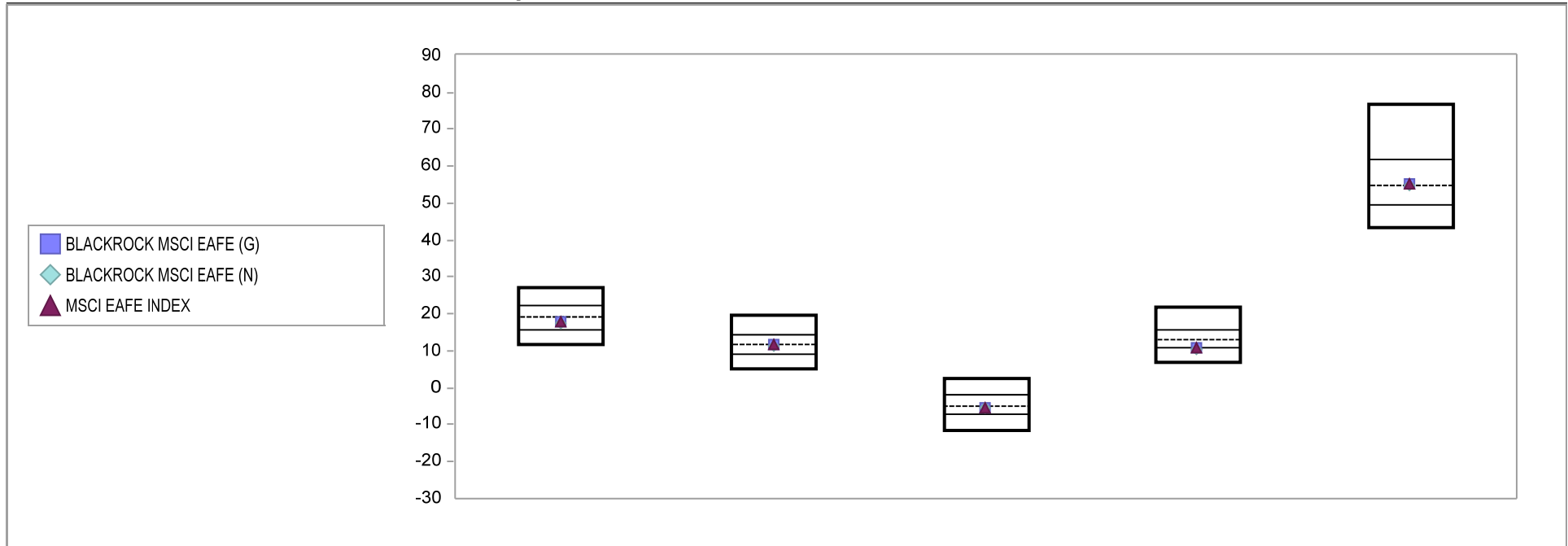


Int'l Developed Market Equity	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	4.3		12.7		25.3		27.0		21.0		13.5		12.7		20.2	
25th Percentile	1.8		9.0		21.1		22.2		17.5		9.8		10.5		18.1	
50th Percentile	0.7		7.5		19.4		19.4		15.2		8.4		9.5		17.0	
75th Percentile	-0.1		5.9		17.0		15.9		13.3		6.6		7.9		15.6	
95th Percentile	-1.7		3.5		14.1		11.9		11.0		3.9		5.6		13.9	
BLACKROCK MSCI EAFE (G)	0.7	48	6.5	65	18.8	56	17.9	61	14.7	56	7.6	61	8.4	67	16.4	60
BLACKROCK MSCI EAFE (N)	0.7	49	6.4	67	18.7	58	17.7	62	14.6	58	7.4	64	8.2	70	16.2	64
MSCI EAFE INDEX	0.8	47	6.6	64	18.9	55	18.1	60	14.9	54	7.7	60	8.5	65	16.6	58

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

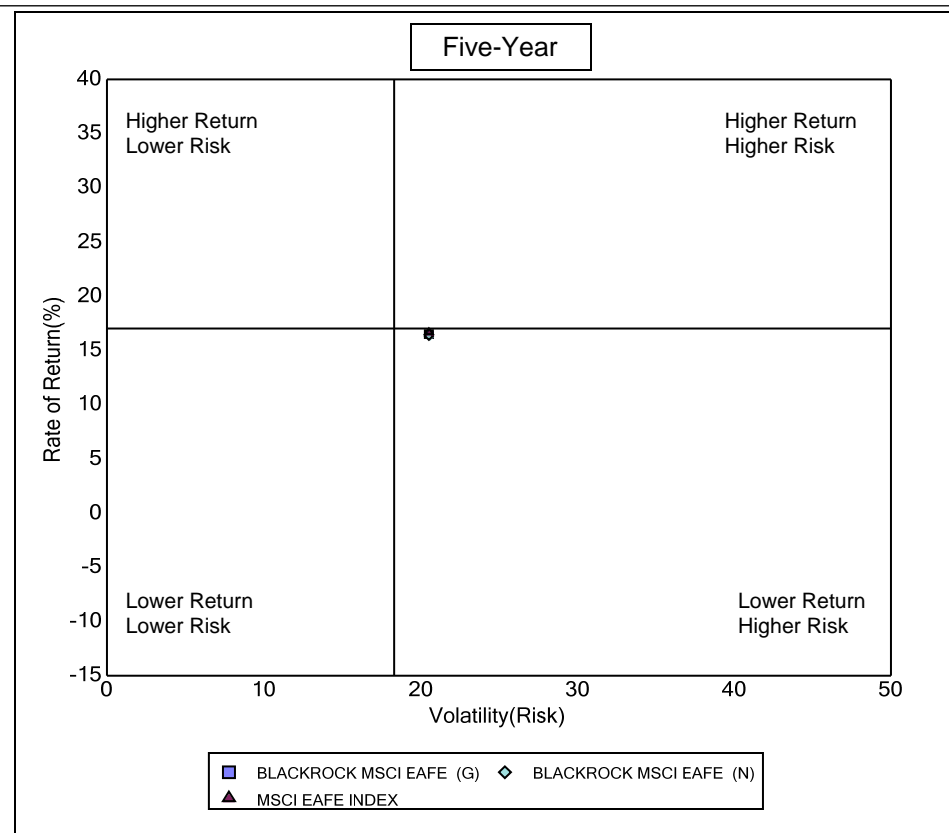
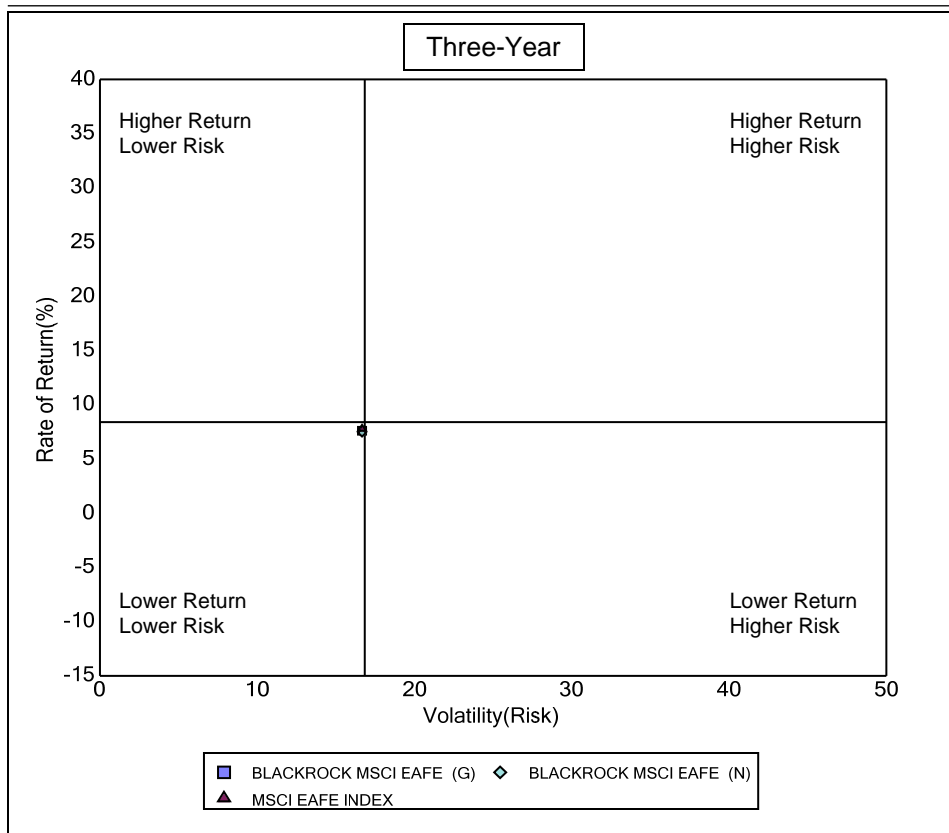


Int'l Developed Market Equity	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	27.0		19.6		2.5		21.9		76.8	
25th Percentile	22.2		14.4		-2.1		15.8		61.7	
50th Percentile	19.4		11.6		-5.0		13.2		54.8	
75th Percentile	15.9		9.2		-7.0		10.7		49.5	
95th Percentile	11.9		5.2		-11.7		6.9		43.3	
BLACKROCK MSCI EAFE (G)	17.9	61	11.7	50	-5.4	56	10.9	73	55.1	49
BLACKROCK MSCI EAFE (N)	17.7	62	11.5	51	-5.6	57	10.6	75	54.9	50
MSCI EAFE INDEX	18.1	60	11.8	49	-5.3	54	10.9	73	55.2	49

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
7.6	16.8	0.4
7.4	16.7	0.4
8.4	16.8	0.5
7.7	16.7	0.5

Category

BLACKROCK MSCI EAFE (G)
BLACKROCK MSCI EAFE (N)
Int'l Developed Market Equity Universe Median
MSCI EAFE INDEX

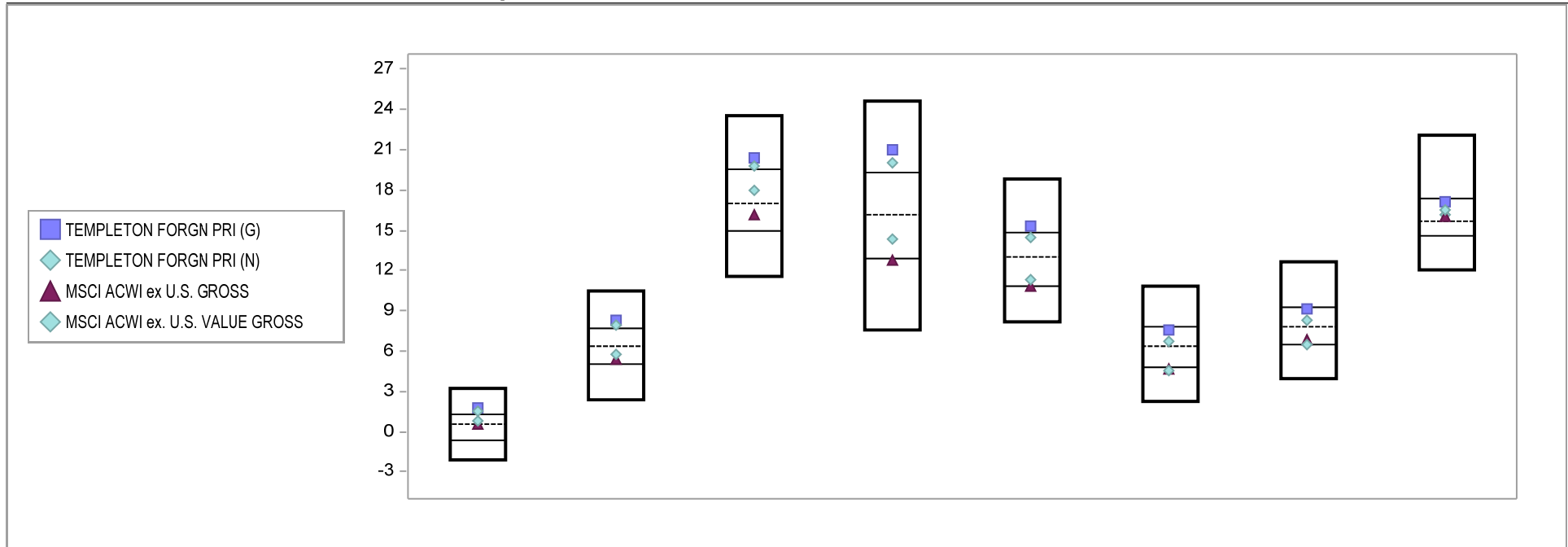
Five Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
16.4	20.6	0.8
16.2	20.6	0.8
17.0	18.3	0.9
16.6	20.6	0.8

Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

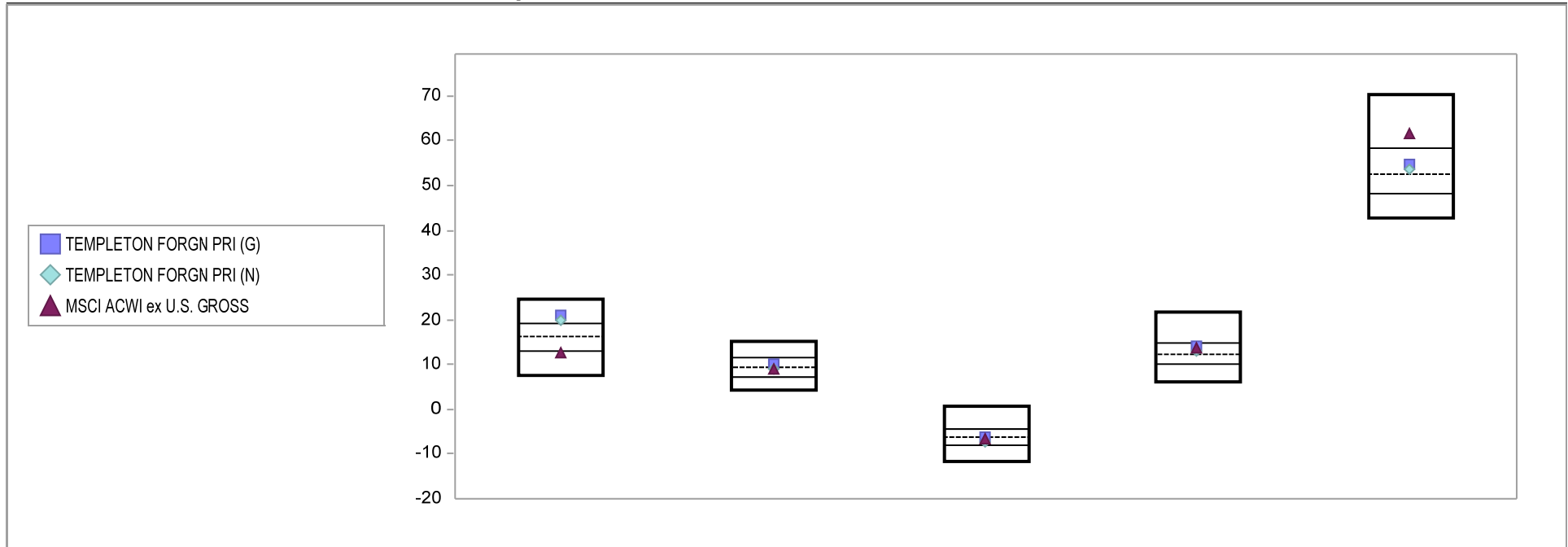


Int'l Equity (mf)	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	3.2		10.4		23.5		24.6		18.8		10.9		12.7		22.0	
25th Percentile	1.3		7.7		19.5		19.3		14.9		7.8		9.2		17.3	
50th Percentile	0.5		6.3		17.0		16.2		13.0		6.3		7.8		15.6	
75th Percentile	-0.6		5.0		15.0		12.9		10.8		4.8		6.5		14.5	
95th Percentile	-2.1		2.4		11.5		7.6		8.2		2.2		3.9		12.1	
TEMPLETON FORGN PRI (G)	1.7	21	8.3	21	20.4	20	20.9	19	15.4	22	7.6	28	9.2	26	17.1	29
TEMPLETON FORGN PRI (N)	1.5	23	7.9	24	19.8	24	20.1	22	14.5	30	6.8	43	8.3	41	16.2	42
MSCI ACWI ex U.S. GROSS	0.6	48	5.5	67	16.2	60	12.8	75	10.8	75	4.6	77	6.8	69	16.0	44
MSCI ACWI ex U.S. VALUE GROSS	0.8	41	5.8	60	17.9	41	14.4	64	11.3	70	4.6	77	6.4	75	16.5	38

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

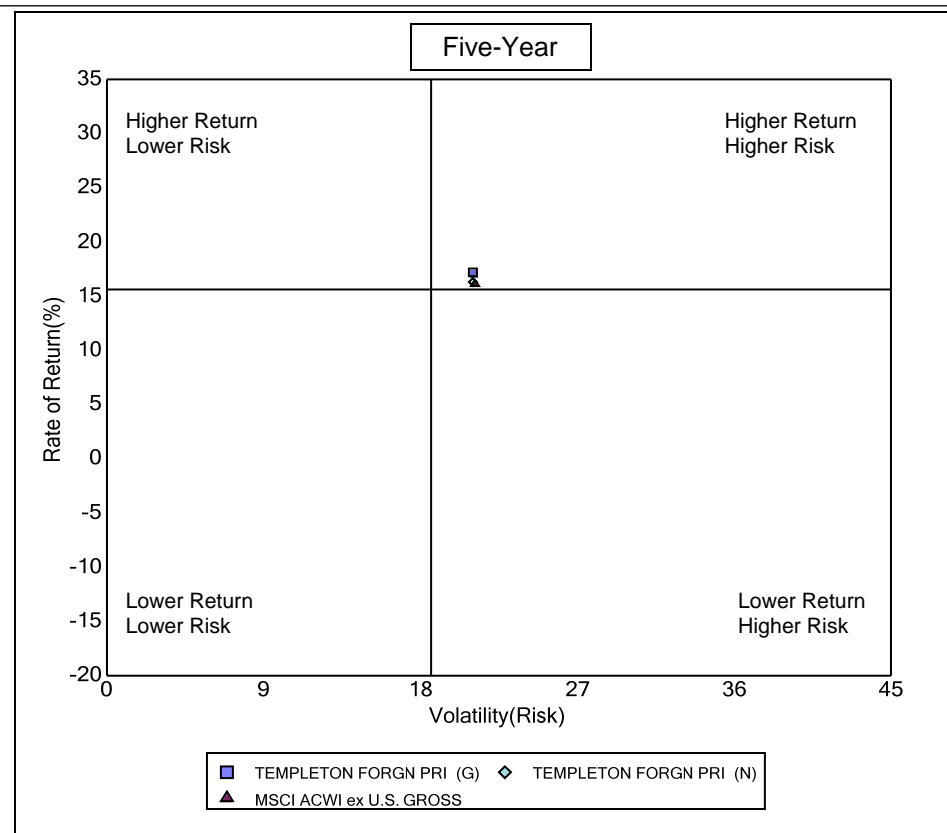
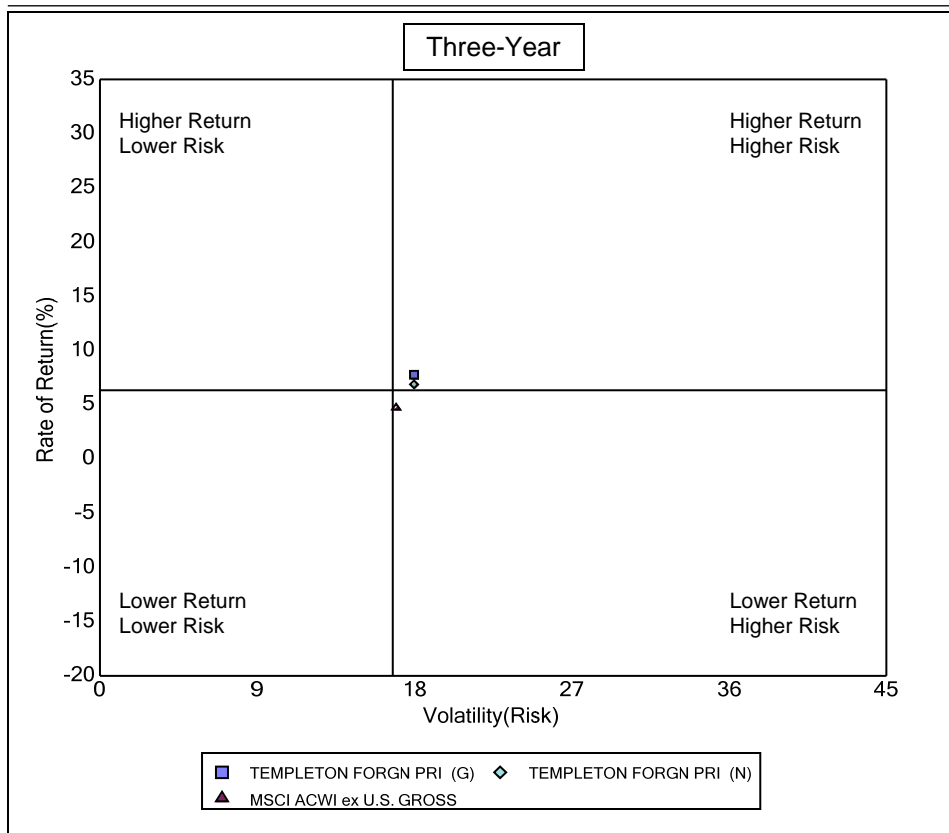


Int'l Equity (mf)	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	24.6		15.2		0.7		21.7		70.2	
25th Percentile	19.3		11.6		-4.3		14.7		58.3	
50th Percentile	16.2		9.2		-6.2		12.2		52.5	
75th Percentile	12.9		7.3		-8.0		10.0		48.3	
95th Percentile	7.6		4.1		-11.6		6.2		42.6	
TEMPLETON FORGN PRI (G)	20.9	19	10.0	41	-6.3	52	13.9	32	54.8	40
TEMPLETON FORGN PRI (N)	20.1	22	9.2	51	-7.1	63	13.0	41	53.6	45
MSCI ACWI ex U.S. GROSS	12.8	75	8.9	55	-6.7	57	13.6	36	61.6	19

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
7.6	18.1	0.4
6.8	18.0	0.4
6.3	16.8	0.4
4.6	17.0	0.3

Category

TEMPLETON FORGN PRI (G)
TEMPLETON FORGN PRI (N)
Int'l Equity (mf) Universe Median
MSCI ACWI ex U.S. GROSS

Five Year Return vs Risk

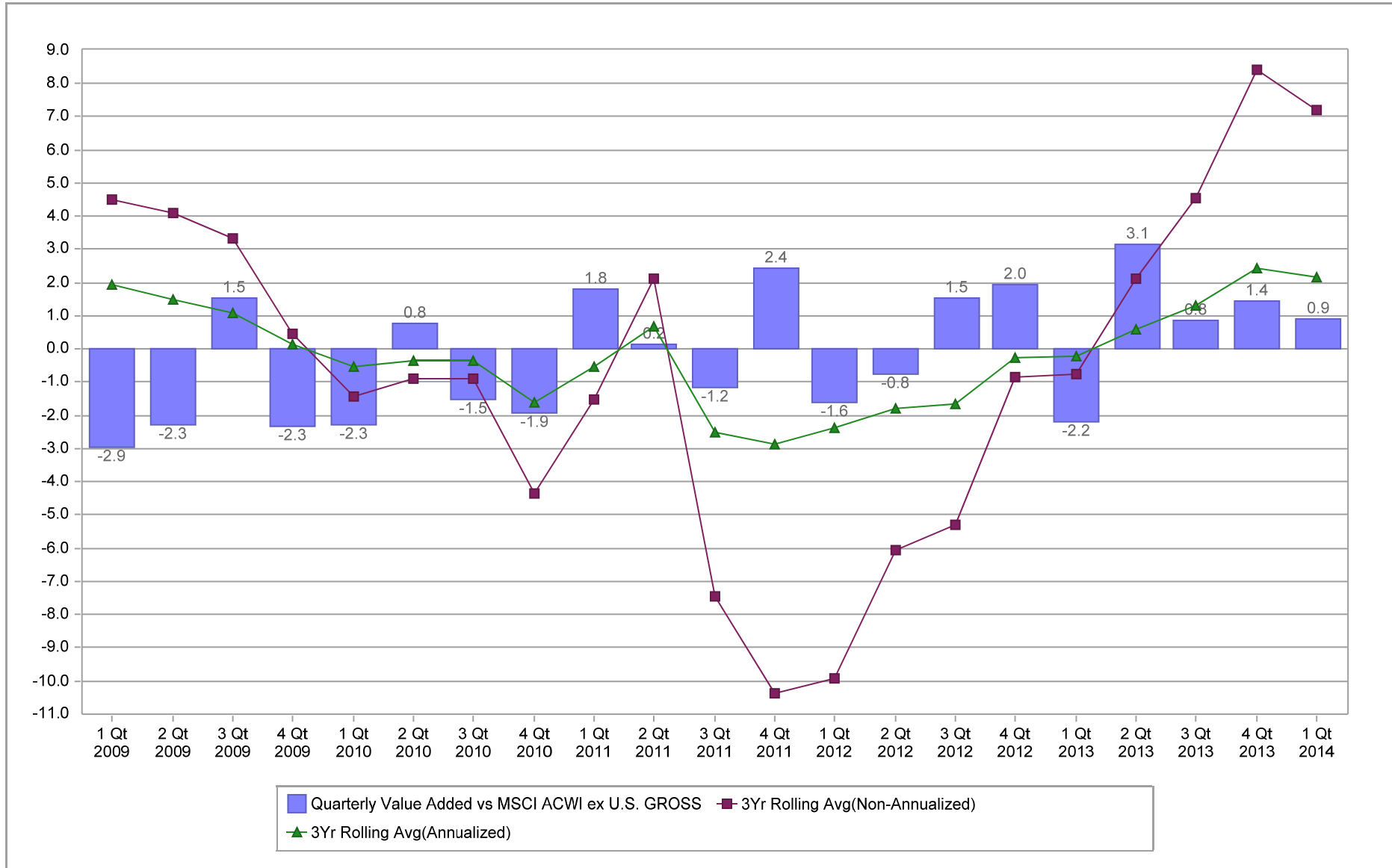
Annualized Return %	Standard Deviation %	Sharpe Ratio
17.1	21.1	0.8
16.2	21.0	0.8
15.6	18.6	0.8
16.0	21.2	0.8

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

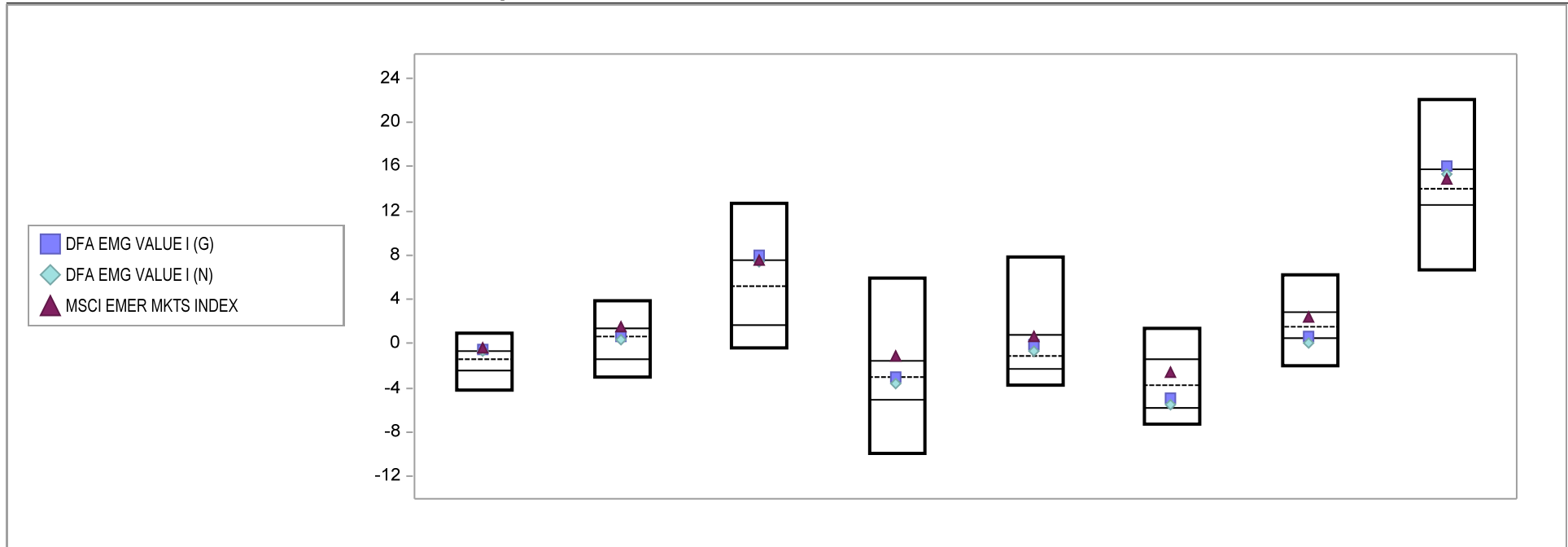
Three Years Rolling for TEMPLETON FORGN PRI (in %)



Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

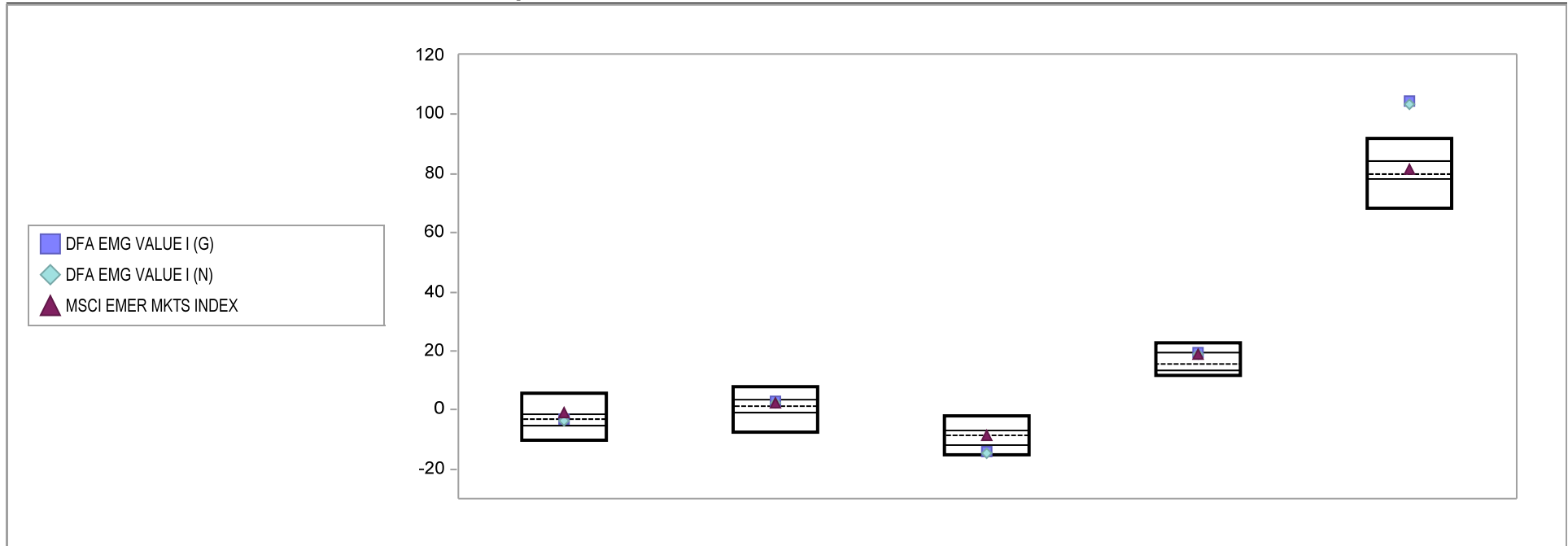


Emerging Markets Equity (mf)	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	0.9		3.9		12.7		5.9		7.9		1.4		6.2		22.0	
25th Percentile	-0.7		1.5		7.5		-1.6		0.8		-1.3		2.9		15.8	
50th Percentile	-1.4		0.7		5.3		-3.0		-1.1		-3.7		1.5		13.9	
75th Percentile	-2.4		-1.3		1.7		-5.1		-2.3		-5.8		0.5		12.5	
95th Percentile	-4.2		-3.0		-0.4		-10.0		-3.7		-7.2		-2.0		6.7	
DFA EMG VALUE I (G)	-0.5	23	0.6	51	8.0	23	-3.0	50	-0.1	36	-5.0	65	0.6	71	16.0	24
DFA EMG VALUE I (N)	-0.7	26	0.3	54	7.5	25	-3.6	57	-0.7	45	-5.6	73	0.0	79	15.3	31
MSCI EMER MKTS INDEX	-0.4	21	1.5	25	7.5	25	-1.1	24	0.6	27	-2.5	38	2.4	34	14.8	38

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

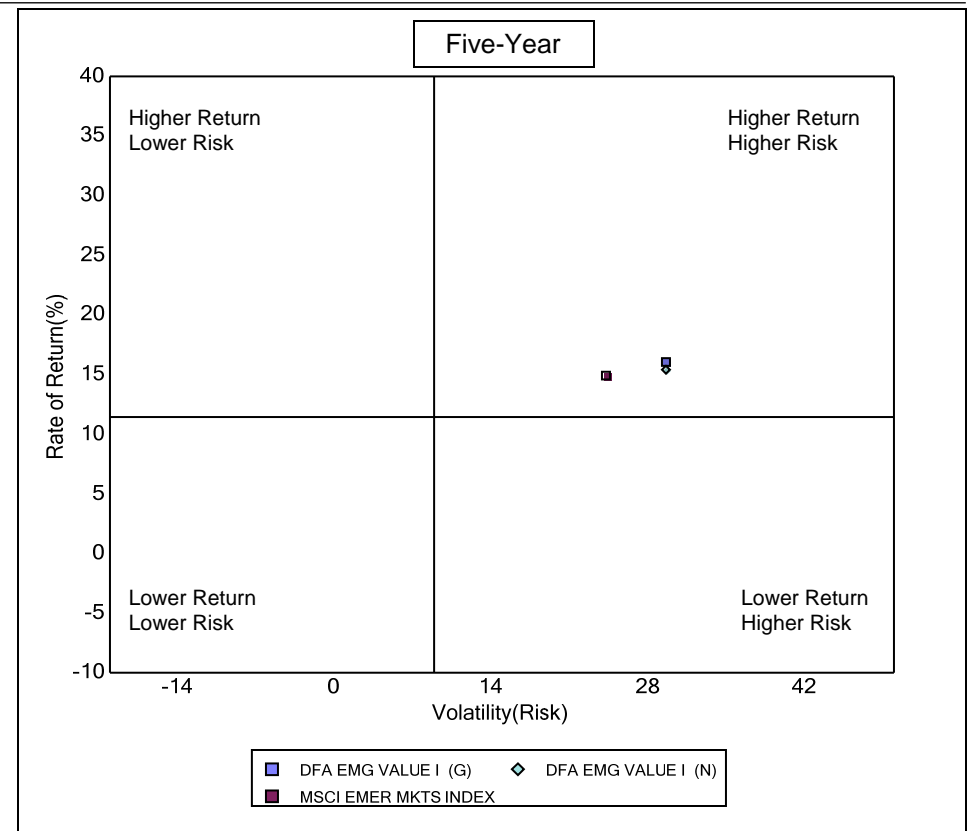
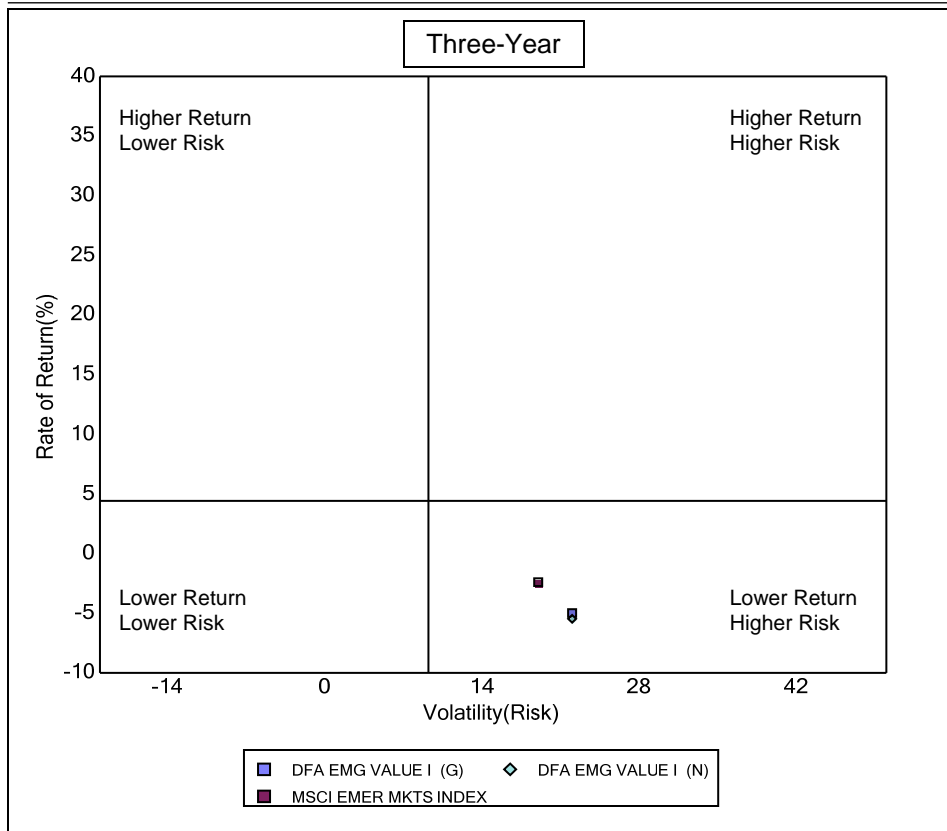


	March 2014		March 2013		March 2012		March 2011		March 2010	
Emerging Markets Equity (mf)	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	5.9		7.7		-2.2		22.7		92.2	
25th Percentile	-1.6		3.5		-7.2		19.7		84.3	
50th Percentile	-3.0		1.6		-8.6		15.5		80.1	
75th Percentile	-5.1		-0.9		-11.9		13.3		78.0	
95th Percentile	-10.0		-7.5		-14.9		11.8		68.3	
DFA EMG VALUE I (G)	-3.0	50	2.9	33	-14.1	90	19.6	25	104.7	1
DFA EMG VALUE I (N)	-3.6	57	2.3	41	-14.6	93	18.9	30	103.6	1
MSCI EMER MKTS INDEX	-1.1	24	2.3	41	-8.5	49	18.8	30	81.6	41

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
-5.0	22.1	-0.2
-5.6	22.1	-0.3
4.4	9.2	0.5
-2.5	19.1	-0.1

Category

DFA EMG VALUE I (G)
DFA EMG VALUE I (N)
Emerging Markets Bond (mf) Universe Median
MSCI EMER MKTS INDEX

Five Year Return vs Risk

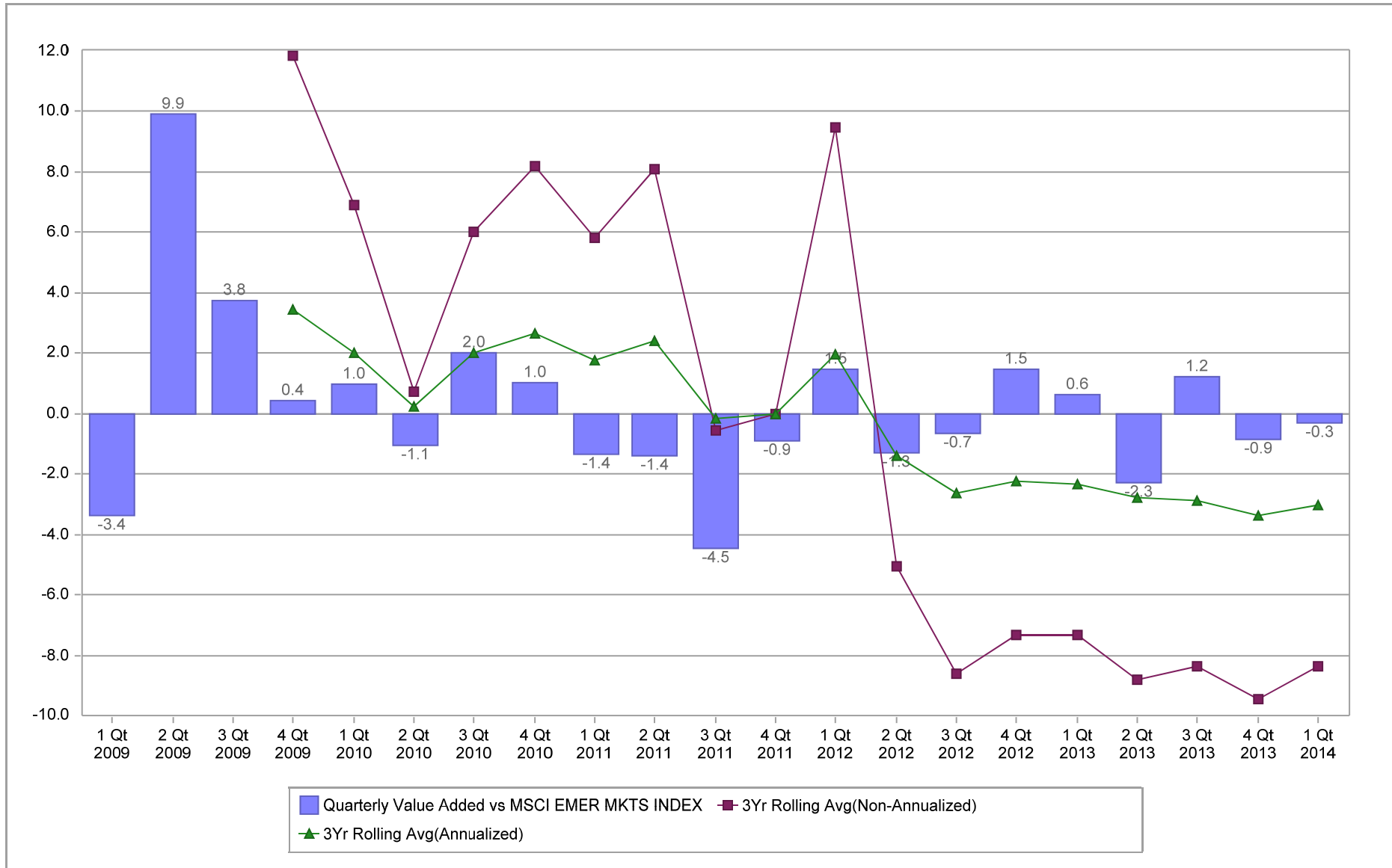
Annualized Return %	Standard Deviation %	Sharpe Ratio
16.0	29.7	0.5
15.3	29.7	0.5
11.4	8.9	1.3
14.8	24.5	0.6

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

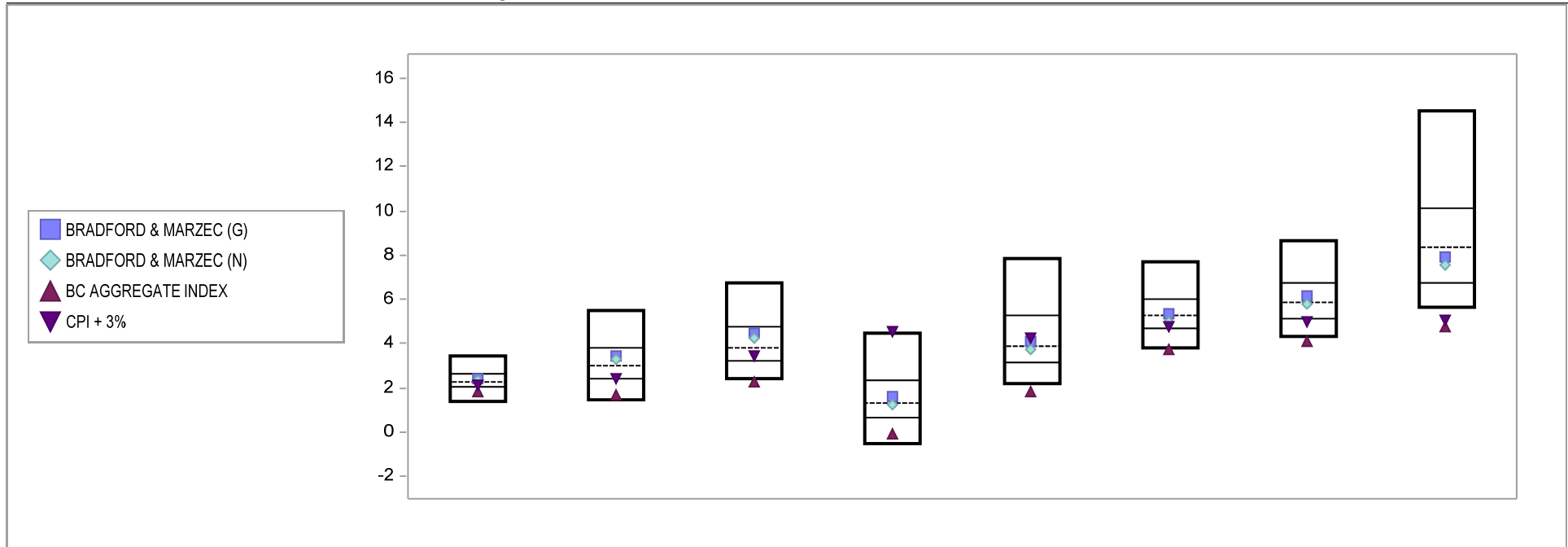
Three Years Rolling for DFA EMG VALUE I (in %)



Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

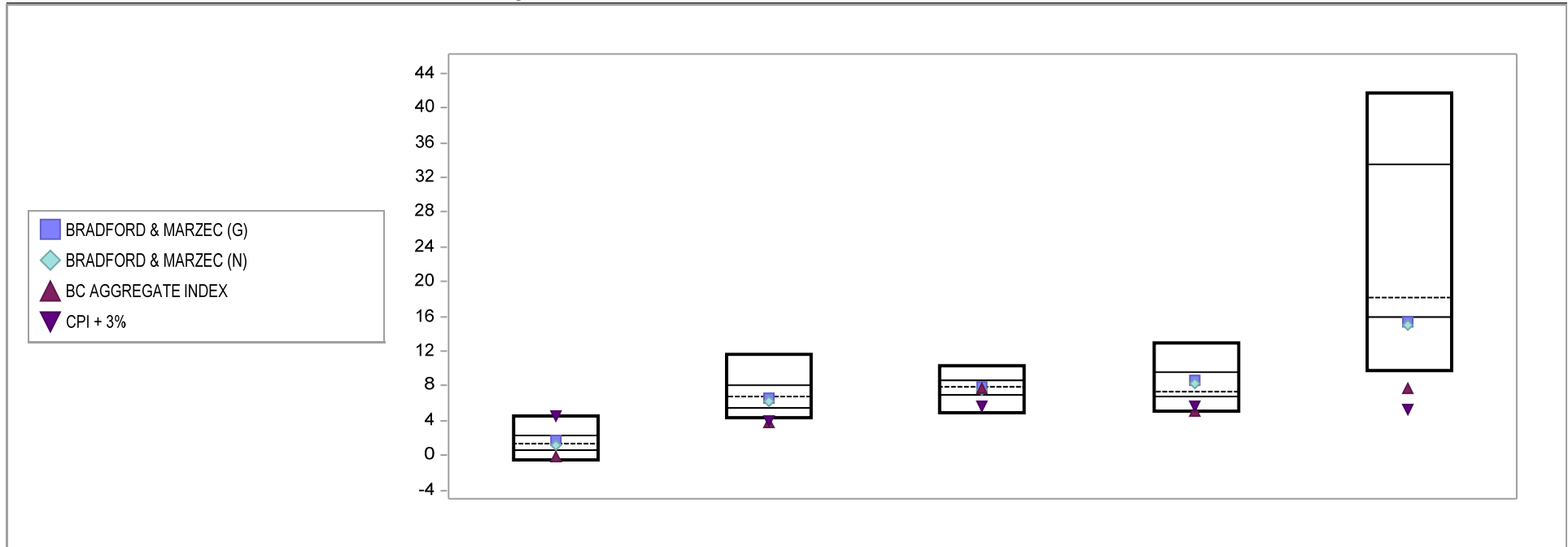


Bond Style - Core Plus	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	3.5		5.5		6.8		4.5		7.8		7.7		8.7		14.5	
25th Percentile	2.6		3.8		4.8		2.4		5.3		6.0		6.7		10.1	
50th Percentile	2.3		3.0		3.8		1.3		3.9		5.3		5.9		8.4	
75th Percentile	2.0		2.4		3.2		0.6		3.2		4.7		5.1		6.7	
95th Percentile	1.4		1.5		2.4		-0.5		2.2		3.8		4.4		5.6	
BRADFORD & MARZEC (G)	2.4	42	3.5	36	4.5	33	1.6	42	4.1	46	5.3	48	6.2	42	7.9	57
BRADFORD & MARZEC (N)	2.3	48	3.3	40	4.3	39	1.3	52	3.7	56	5.0	62	5.8	52	7.6	62
BC AGGREGATE INDEX	1.8	81	1.7	90	2.3	95	-0.1	87	1.8	97	3.7	95	4.1	97	4.8	98
CPI + 3%	2.1	65	2.4	75	3.5	65	4.5	5	4.3	43	4.7	72	5.0	78	5.1	97

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

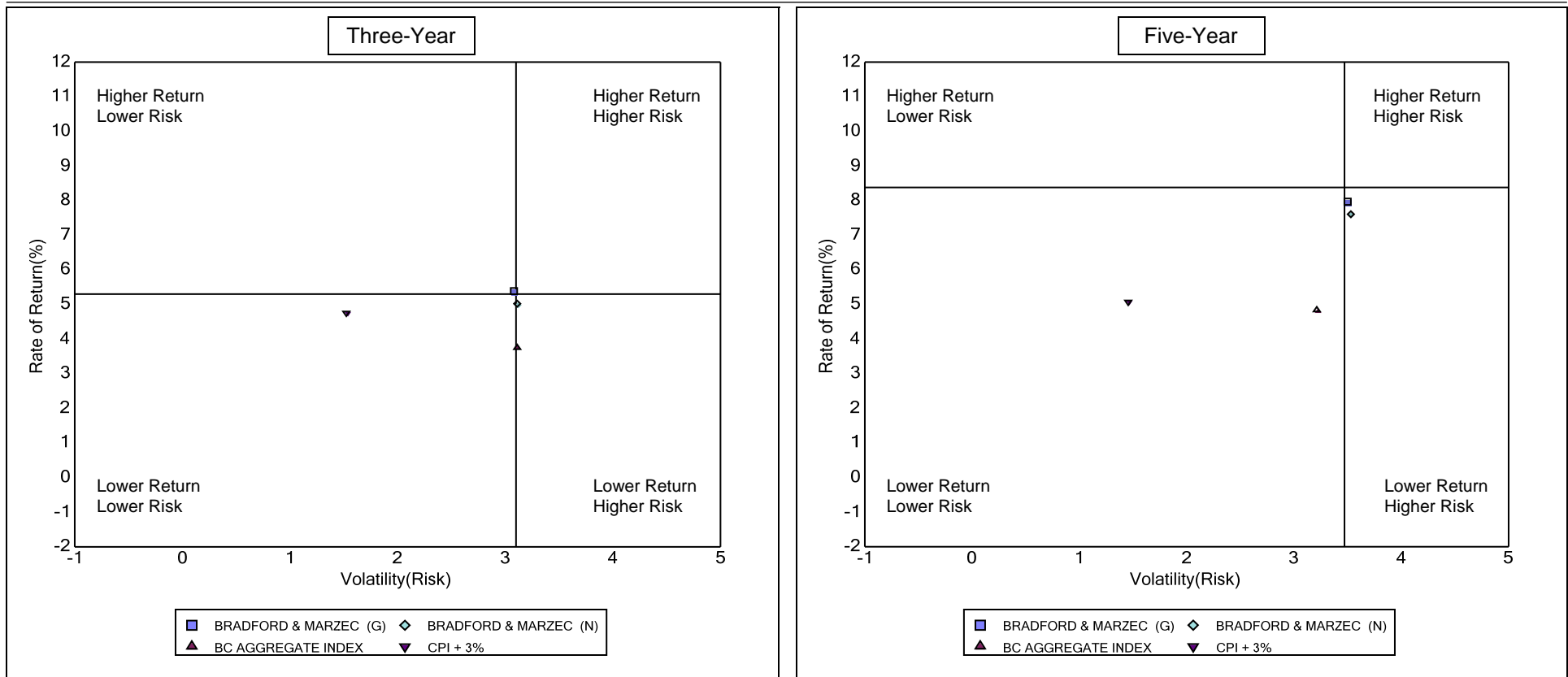


Bond Style - Core Plus	March 2014		March 2013		March 2012		March 2011		March 2010		
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
5th Percentile			4.5		11.7		10.4		12.9		41.8
25th Percentile			2.4		8.1		8.6		9.6		33.5
50th Percentile			1.3		6.7		8.0		7.3		18.1
75th Percentile			0.6		5.6		7.0		6.9		16.0
95th Percentile			-0.5		4.3		4.9		5.0		9.8
BRADFORD & MARZEC (G)	1.6	42	6.6	52	7.9	52	8.6	35	15.3	77	
BRADFORD & MARZEC (N)	1.3	52	6.2	61	7.6	60	8.3	39	14.9	78	
BC AGGREGATE INDEX	-0.1	87	3.8	97	7.7	57	5.1	94	7.7	97	
CPI + 3%	4.5	5	4.0	97	5.7	87	5.7	87	5.4	98	

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Five Year Return vs Risk

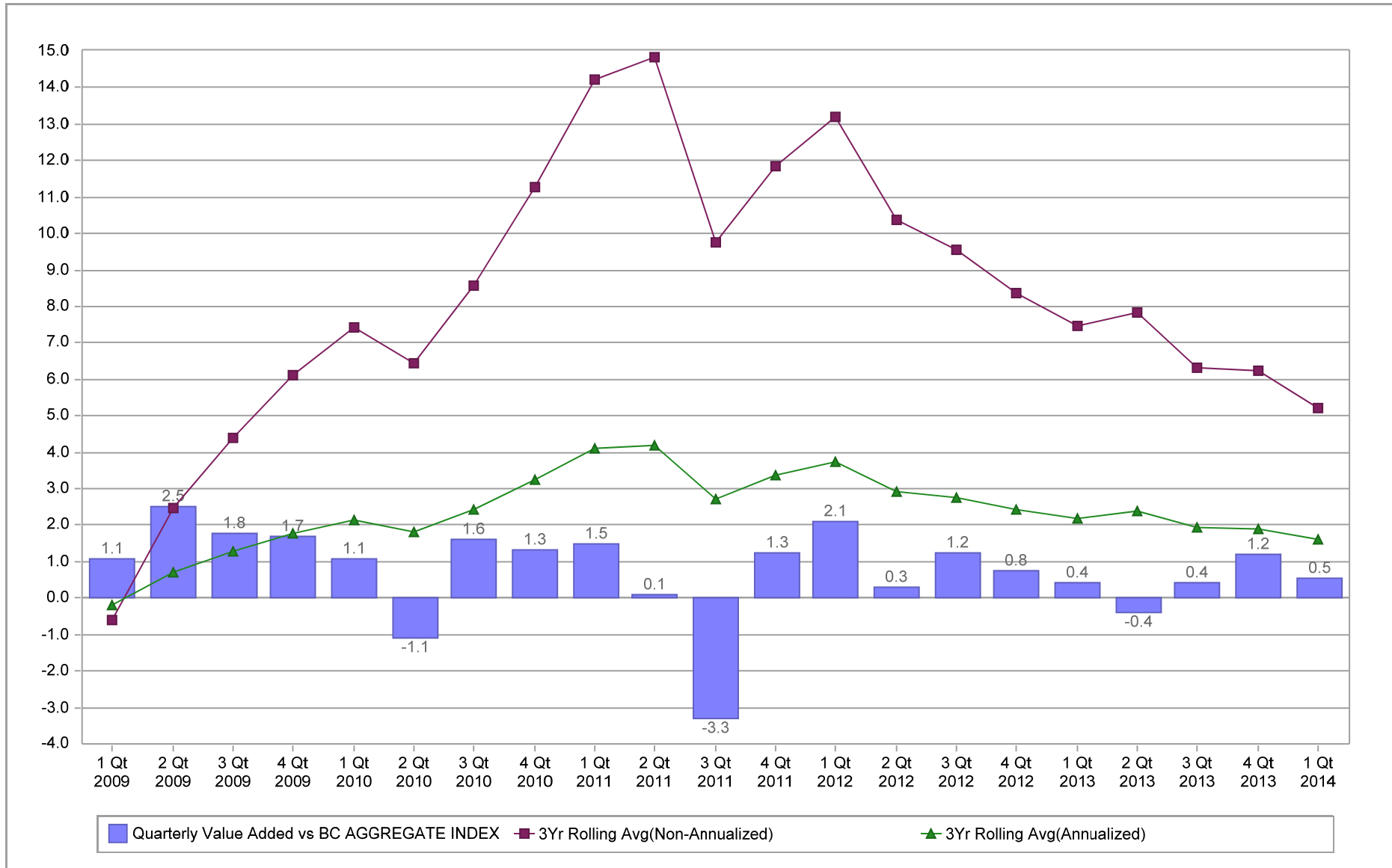
Annualized Return %	Standard Deviation %	Sharpe Ratio	Category	Annualized Return %	Standard Deviation %	Sharpe Ratio
5.3	3.1	1.7	BRADFORD & MARZEC (G)	7.9	3.5	2.2
5.0	3.1	1.6	BRADFORD & MARZEC (N)	7.6	3.5	2.1
3.7	3.1	1.2	BC AGGREGATE INDEX	4.8	3.2	1.5
5.3	3.1	1.7	Bond Style - Core Plus Universe Median	8.4	3.5	2.4
4.7	1.5	3.0	CPI + 3%	5.1	1.5	3.4

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

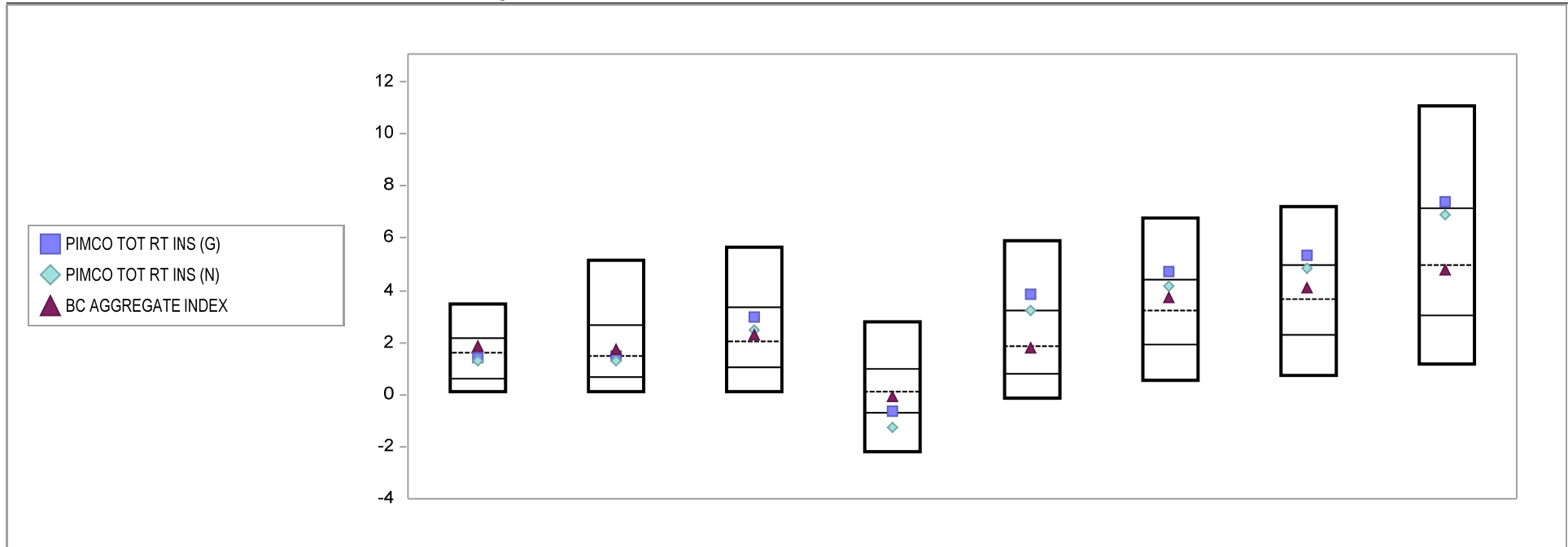
Three Years Rolling for BRADFORD & MARZEC (in %)



Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

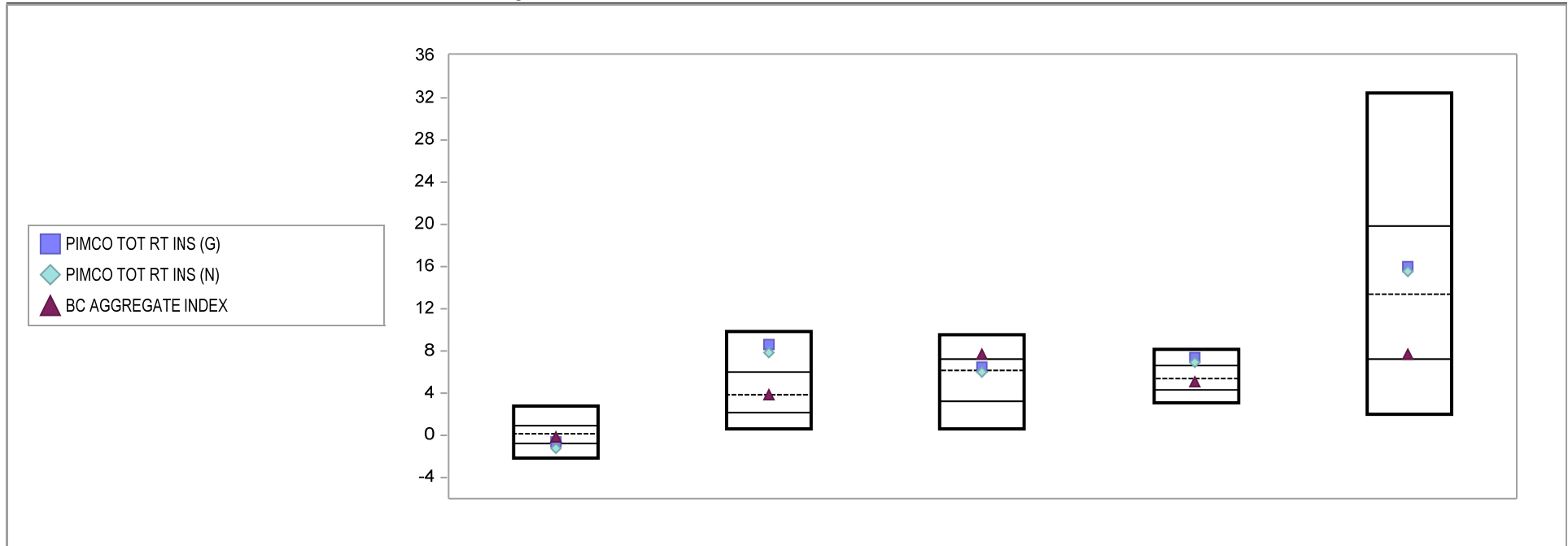


Bond Funds (mf)	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	3.5		5.2		5.7		2.8		5.9		6.8		7.2		11.1	
25th Percentile	2.2		2.7		3.4		1.0		3.2		4.4		4.9		7.2	
50th Percentile	1.6		1.5		2.0		0.1		1.9		3.2		3.6		5.0	
75th Percentile	0.6		0.7		1.0		-0.7		0.8		1.9		2.3		3.0	
95th Percentile	0.1		0.1		0.1		-2.2		-0.1		0.5		0.7		1.2	
PIMCO TOT RT INS (G)	1.4	55	1.5	49	3.0	32	-0.6	72	3.9	20	4.7	22	5.4	21	7.4	24
PIMCO TOT RT INS (N)	1.3	58	1.3	56	2.5	42	-1.2	82	3.2	25	4.1	31	4.8	27	6.9	28
BC AGGREGATE INDEX	1.8	39	1.7	45	2.3	45	-0.1	56	1.8	51	3.7	39	4.1	41	4.8	52

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014

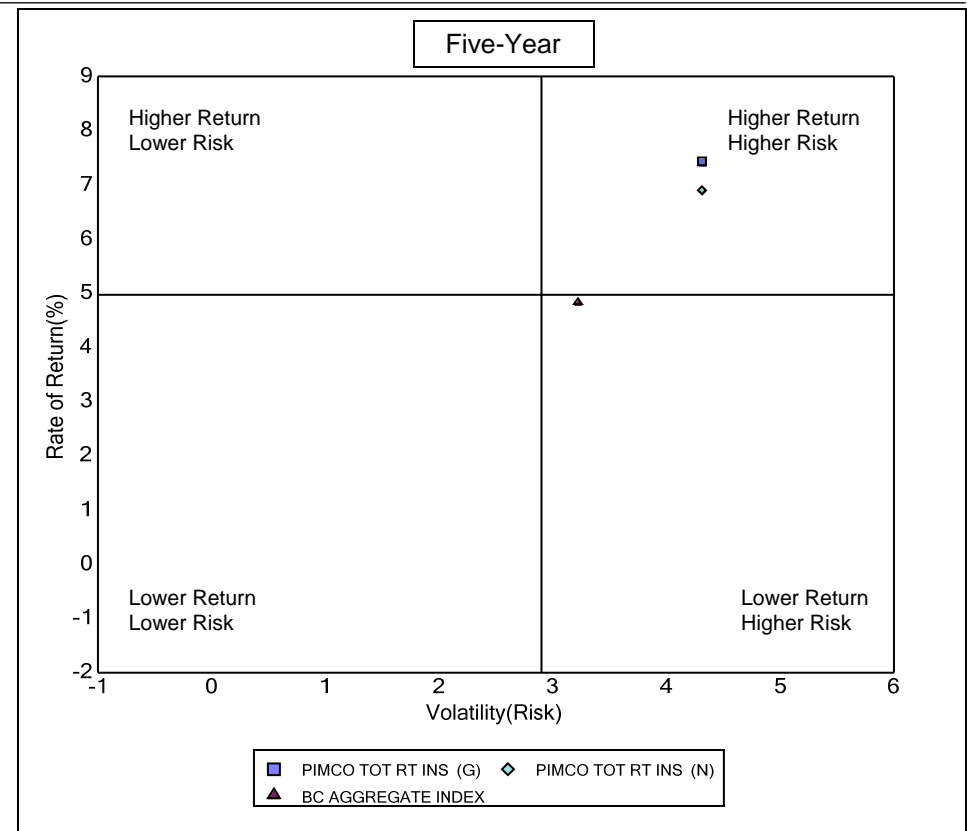
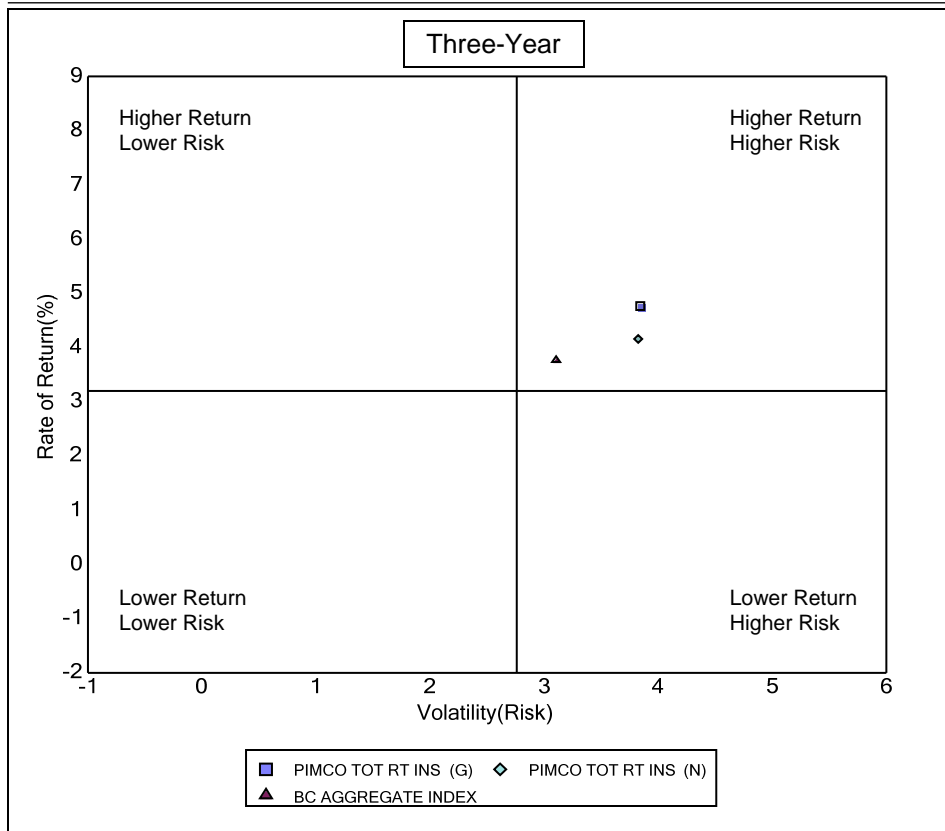


Bond Funds (mf)	March 2014 Return Rank	March 2013 Return Rank	March 2012 Return Rank	March 2011 Return Rank	March 2010 Return Rank
5th Percentile	2.8	9.8	9.5	8.2	32.5
25th Percentile	1.0	6.1	7.3	6.5	19.9
50th Percentile	0.1	3.9	6.2	5.3	13.5
75th Percentile	-0.7	2.2	3.2	4.4	7.2
95th Percentile	-2.2	0.6	0.7	3.0	1.9
PIMCO TOT RT INS (G)	-0.6 72	8.5 12	6.5 42	7.3 16	16.0 40
PIMCO TOT RT INS (N)	-1.2 82	7.9 15	6.0 51	6.9 21	15.5 42
BC AGGREGATE INDEX	-0.1 56	3.8 52	7.7 21	5.1 56	7.7 73

Imperial County Employees' Retirement System

Risk vs Return Three & Five Year

Period Ending: March 31, 2014



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
4.7	3.9	1.2
4.1	3.8	1.1
3.7	3.1	1.2
3.2	2.8	1.1

Category

PIMCO TOT RT INS (G)
PIMCO TOT RT INS (N)
BC AGGREGATE INDEX
Bond Funds (mf) Universe Median

Five Year Return vs Risk

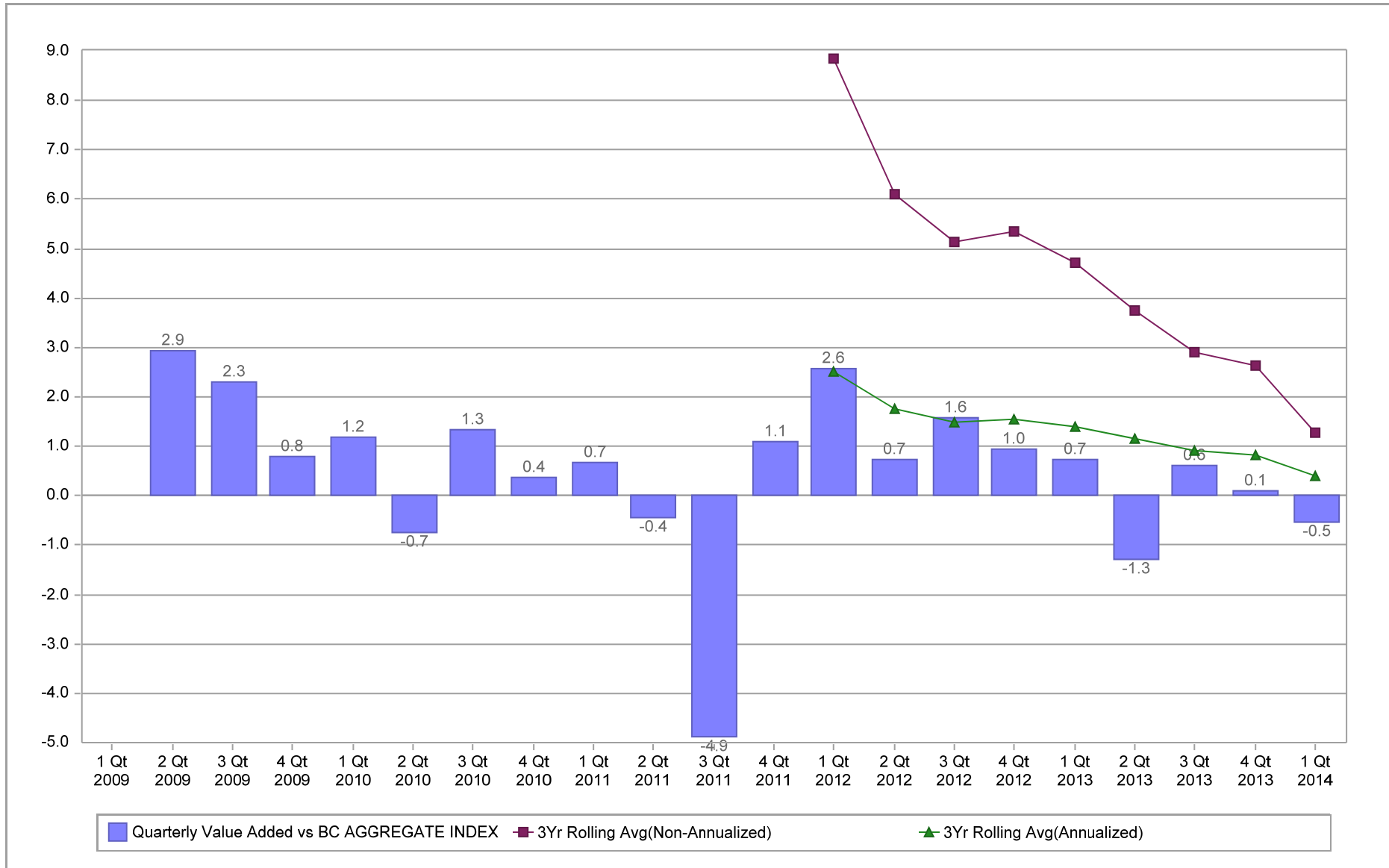
Annualized Return %	Standard Deviation %	Sharpe Ratio
7.4	4.3	1.7
6.9	4.3	1.6
4.8	3.2	1.5
5.0	2.9	1.7

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

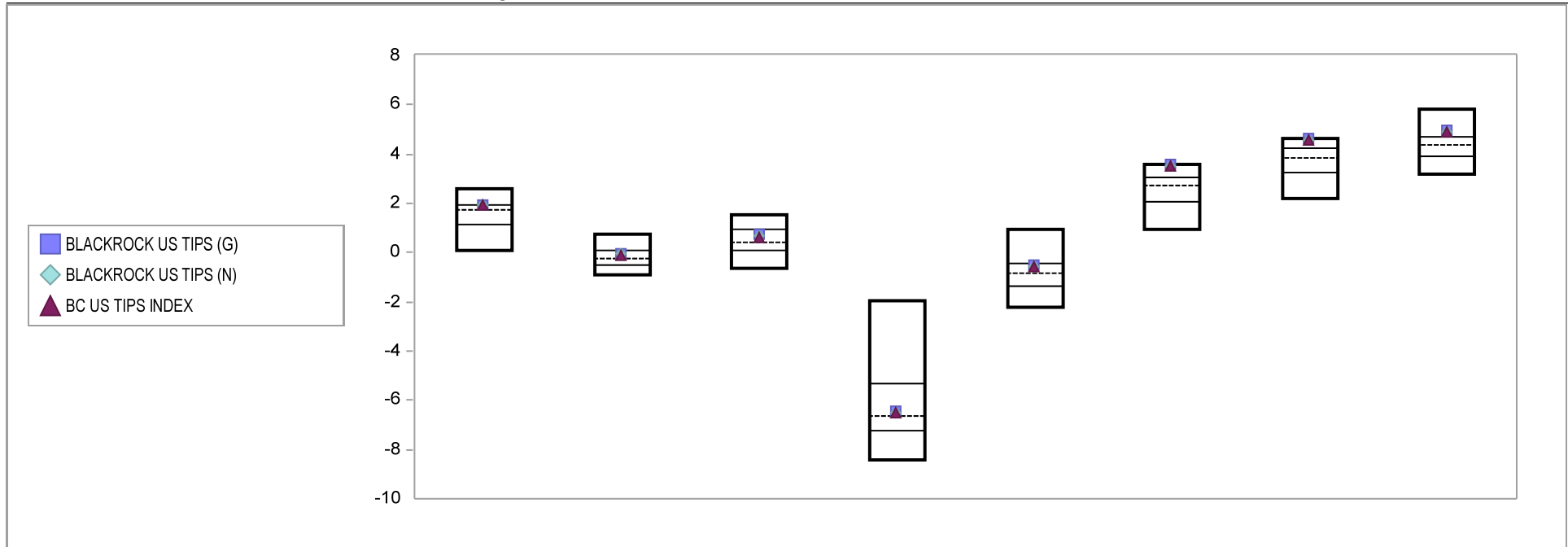
Three Years Rolling for PIMCO TOT RT INS (in %)



Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

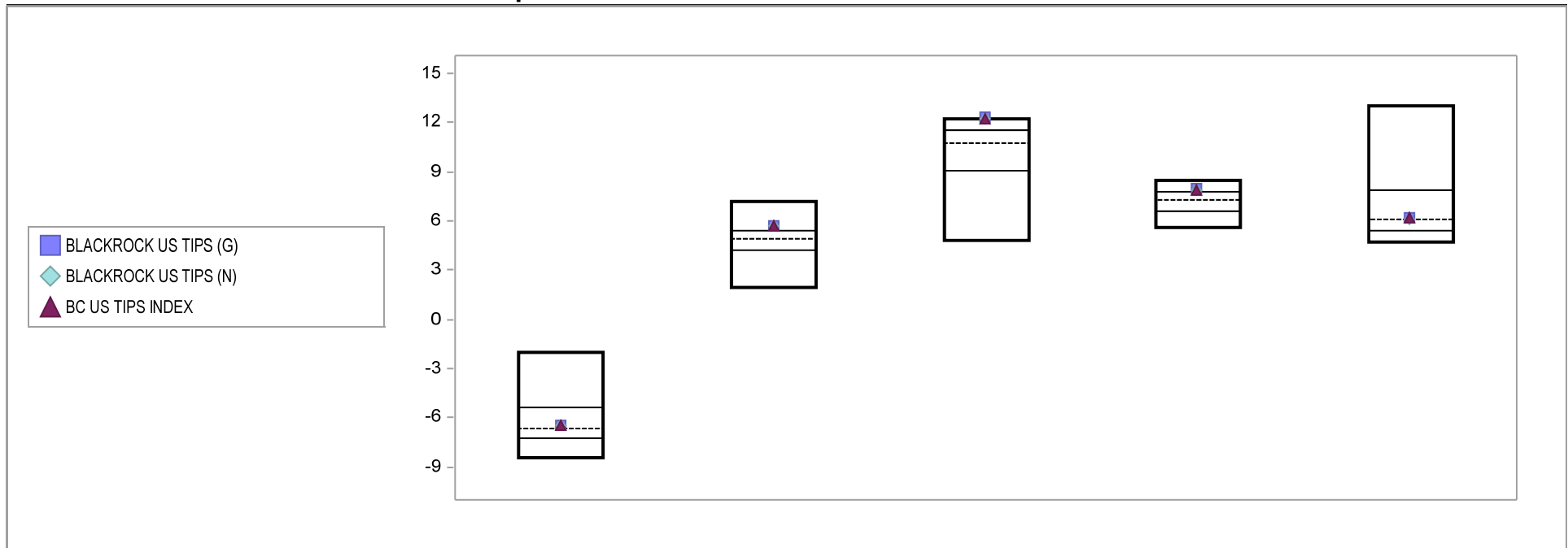


Bond Style - U.S. TIPS (mf)	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	2.6		0.8		1.5		-2.0		1.0		3.6		4.6		5.8	
25th Percentile	1.9		0.1		0.9		-5.4		-0.4		3.1		4.2		4.7	
50th Percentile	1.8		-0.3		0.5		-6.6		-0.9		2.7		3.8		4.4	
75th Percentile	1.1		-0.5		0.1		-7.3		-1.3		2.1		3.2		3.9	
95th Percentile	0.1		-0.9		-0.6		-8.4		-2.2		1.0		2.2		3.2	
BLACKROCK US TIPS (G)	2.0	24	0.0	35	0.7	36	-6.4	46	-0.5	31	3.6	5	4.7	5	5.0	21
BLACKROCK US TIPS (N)	1.9	25	-0.1	38	0.7	39	-6.5	47	-0.6	35	3.5	8	4.6	7	4.9	22
BC US TIPS INDEX	1.9	24	-0.1	39	0.6	42	-6.5	47	-0.6	35	3.5	8	4.6	7	4.9	22

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014



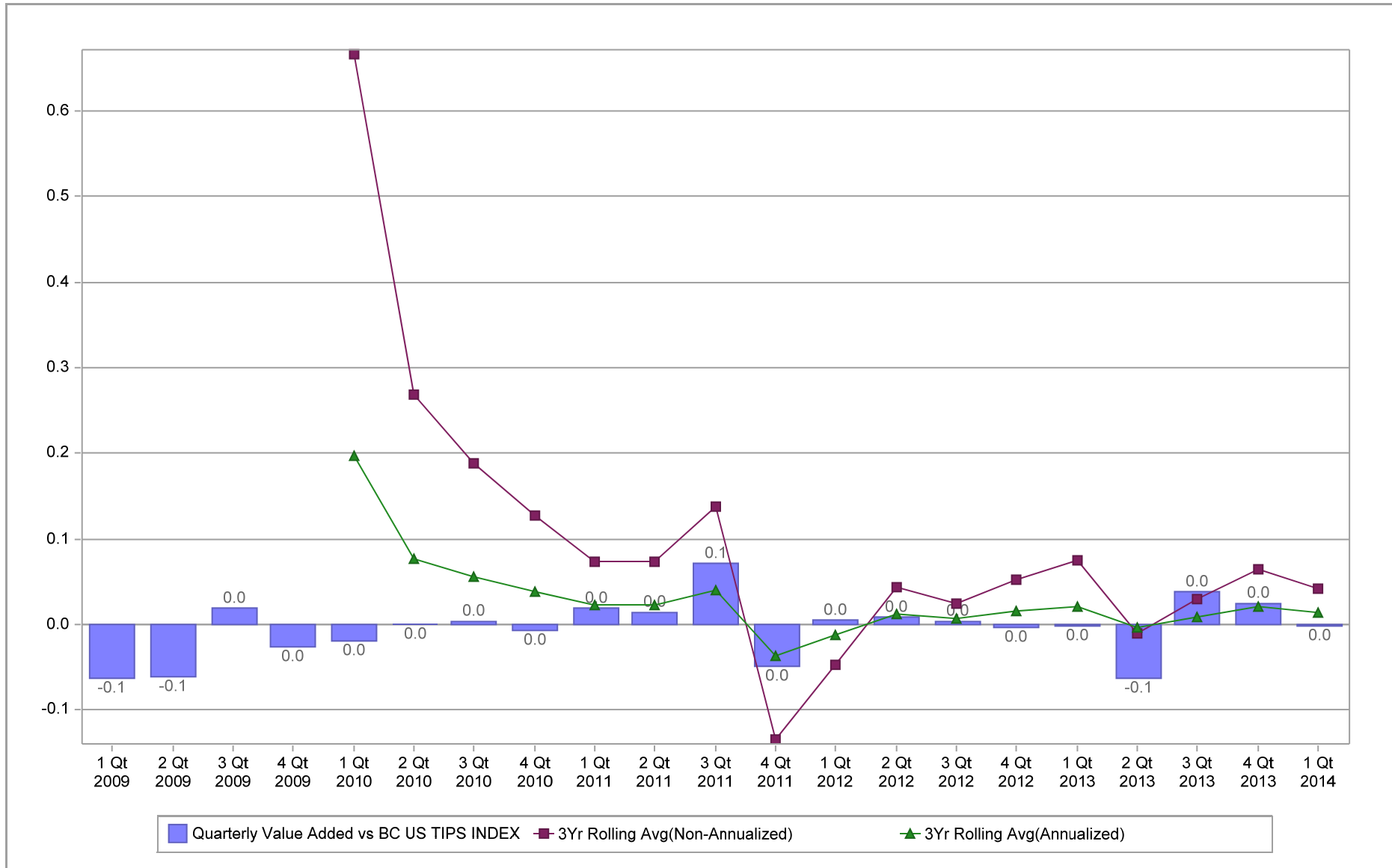
Bond Style - U.S. TIPS (mf)	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	-2.0		7.2		12.2		8.5		13.0	
25th Percentile	-5.4		5.4		11.6		7.8		7.9	
50th Percentile	-6.6		5.0		10.8		7.3		6.1	
75th Percentile	-7.3		4.3		9.1		6.6		5.4	
95th Percentile	-8.4		1.9		4.9		5.6		4.7	
BLACKROCK US TIPS (G)	-6.4	46	5.8	21	12.3	5	8.0	18	6.2	49
BLACKROCK US TIPS (N)	-6.5	47	5.7	22	12.2	5	7.9	20	6.1	50
BC US TIPS INDEX	-6.5	47	5.7	22	12.2	5	7.9	21	6.2	49

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

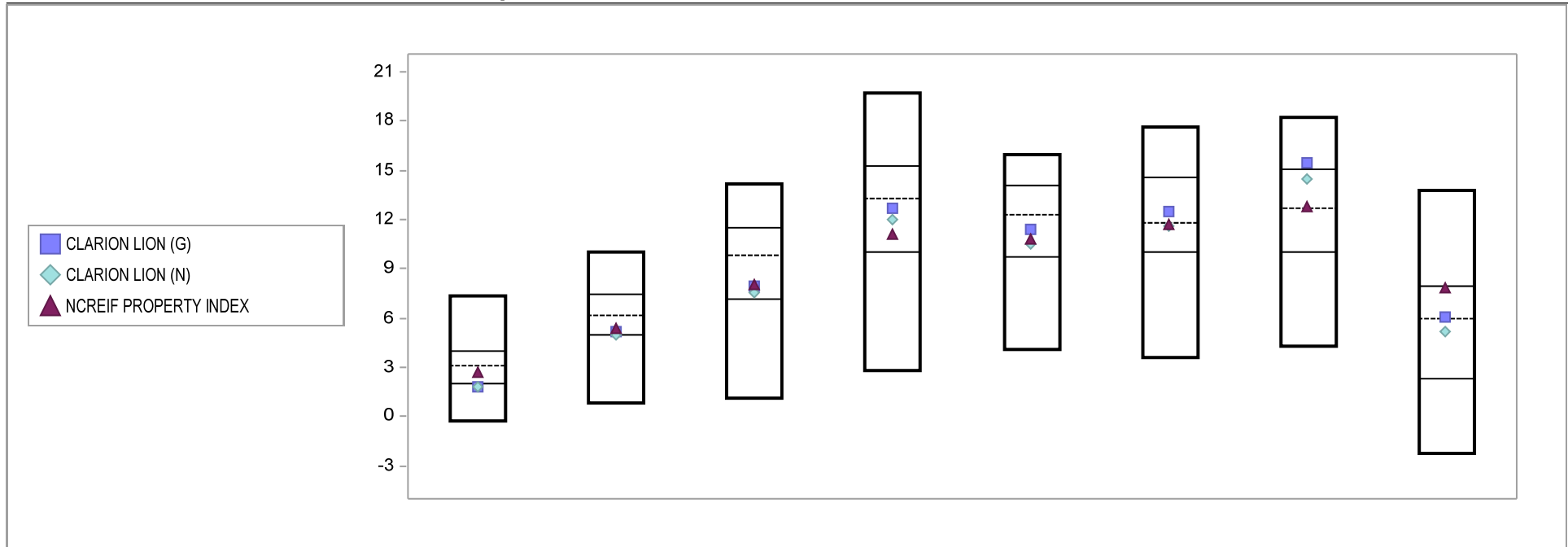
Three Years Rolling for BLACKROCK US TIPS (in %)



Imperial County Employees' Retirement System

Cumulative Performance Comparisons

Period Ending: March 31, 2014

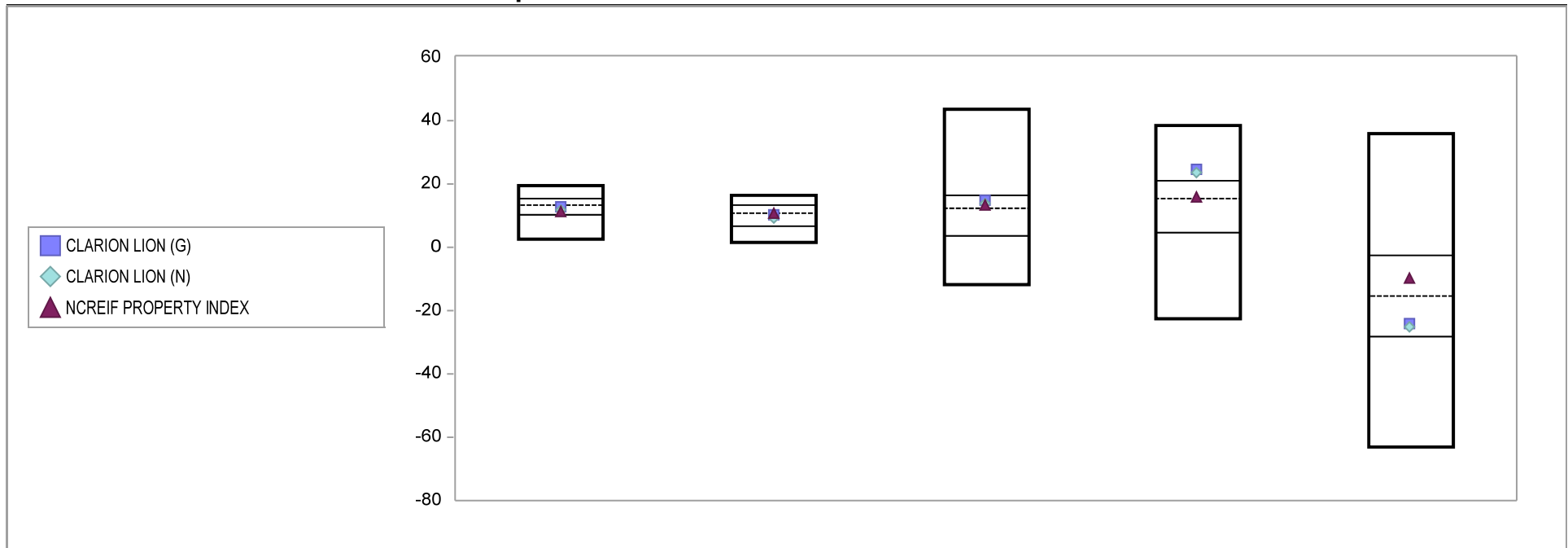


Real Estate Funds	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	7.4		10.0		14.2		19.7		16.0		17.7		18.3		13.8	
25th Percentile	4.0		7.5		11.5		15.3		14.1		14.6		15.1		7.9	
50th Percentile	3.1		6.1		9.9		13.3		12.3		11.8		12.8		6.0	
75th Percentile	2.0		5.0		7.2		10.1		9.8		10.0		10.0		2.3	
95th Percentile	-0.3		0.9		1.1		2.8		4.1		3.7		4.3		-2.2	
CLARION LION (G)	1.9	76	5.2	70	8.0	67	12.7	55	11.4	59	12.5	44	15.5	23	6.1	49
CLARION LION (N)	1.9	76	5.0	75	7.5	72	12.0	60	10.6	67	11.6	53	14.5	31	5.2	56
NCREIF PROPERTY INDEX	2.7	58	5.3	67	8.1	67	11.2	67	10.8	65	11.7	52	12.8	50	7.9	25

Imperial County Employees' Retirement System

Consecutive Performance Comparisons

Period Ending: March 31, 2014



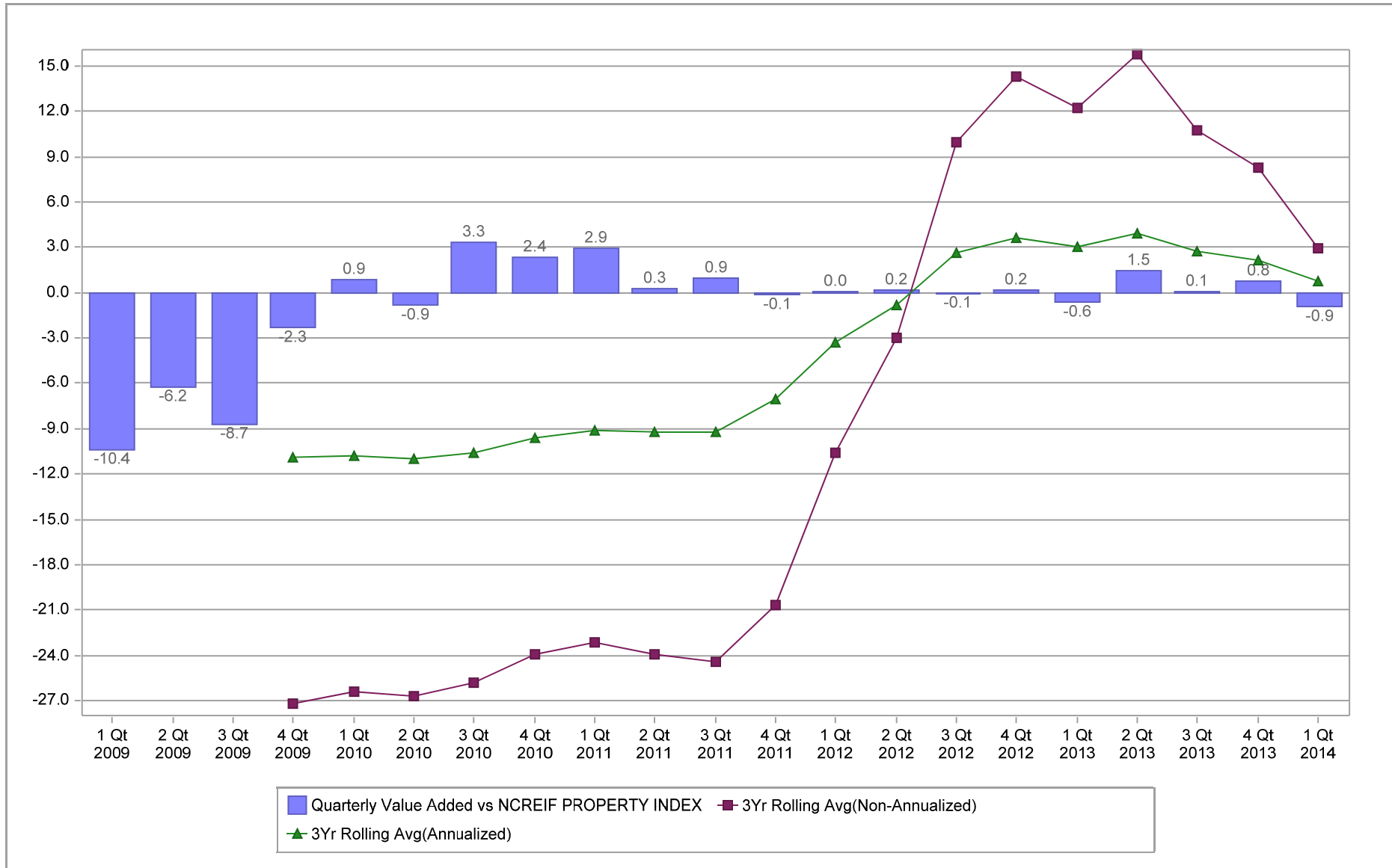
Real Estate Funds	March 2014 Return Rank		March 2013 Return Rank		March 2012 Return Rank		March 2011 Return Rank		March 2010 Return Rank	
5th Percentile	19.7		16.5		43.5		38.3		36.0	
25th Percentile	15.3		13.1		16.4		21.1		-2.8	
50th Percentile	13.3		10.9		12.4		15.5		-15.2	
75th Percentile	10.1		6.7		3.5		4.8		-28.2	
95th Percentile	2.8		1.3		-11.6		-22.7		-62.9	
CLARION LION (G)	12.7	55	10.2	55	14.6	36	24.8	21	-24.3	67
CLARION LION (N)	12.0	60	9.2	60	13.6	42	23.8	22	-25.2	69
NCREIF PROPERTY INDEX	11.2	67	10.5	52	13.4	43	16.0	48	-9.6	39

Imperial County Employees' Retirement System

Value Added Analysis

Period Ending: March 31, 2014

Three Years Rolling for CLARION LION (in %)



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