



Monthly Performance Report to the Trustees

Revised
Performance Through
August 31, 2014

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STATE BOARD OF ADMINISTRATION
OF FLORIDA

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AS CHAIRMAN


JEFF ATWATER
CHIEF FINANCIAL OFFICER

PAM BONDI
ATTORNEY GENERAL

ASH WILLIAMS
EXECUTIVE DIRECTOR & CIO

MEMORANDUM

TO: Members, State Board of Administration
Governor Rick Scott
Chief Financial Officer Jeff Atwater
Attorney General Pam Bondi

FROM: Ash Williams 

DATE: October 20, 2014

SUBJECT: Monthly Performance Report as of August 31, 2014

For the 12 months ending August 31, 2014, performance for the SBA's three multi-asset class mandates was as follows.

	Actual Return	Benchmark Return	Actual Over (Under) Bmk.
FRS Pension Plan	16.34%	15.77%	0.57%
FRS Investment Plan	14.33%	14.07%	0.26%
Lawton Chiles Endowment	19.27%	17.10%	2.17%

Florida Statutes, Section 215.47(6), the "basket clause," requires the Executive Director to report to the Investment Advisory Council any proposed plans to invest in certain investments that are not explicitly authorized. During the month of August 2014, no proposed plans for such investments were reported to the Investment Advisory Council.

Please find attached the SBA's Monthly Performance Report for periods ending August 31, 2014. The report also contains performance information on Florida PRIME and the Florida Hurricane Catastrophe Fund. More detailed information on Florida PRIME can be found on the SBA website at www.sbafla.com/prime.

If you have any questions or need additional information, please contact me.

AW/jk

cc: IAC Members
Karl Rasmussen
Robert Tornillo
Rob Johnson

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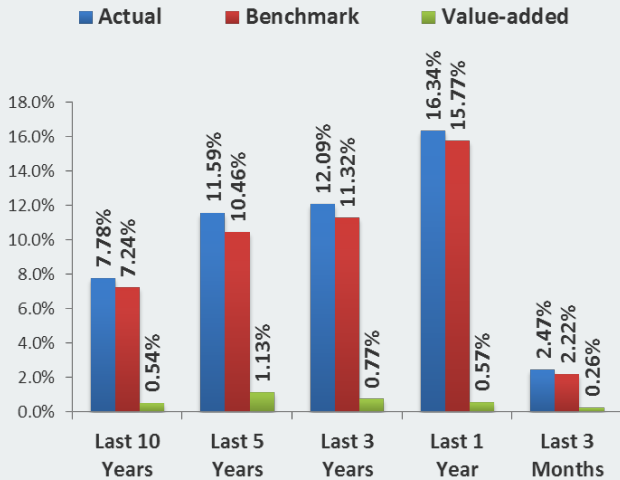
SUMMARY OF SBA MANDATES

	August 31, 2014 MARKET VALUE (in thousands)	July 31, 2014 MARKET VALUE (in thousands)
FLORIDA RETIREMENT SYSTEM		
FRS PENSION PLAN ASSET CLASSES		
GLOBAL EQUITY	\$89,953,273	\$88,334,484
FIXED INCOME	\$30,161,209	\$29,963,424
REAL ESTATE	\$11,224,282	\$11,290,704
PRIVATE EQUITY	\$8,444,054	\$8,237,397
STRATEGIC INVESTMENTS	\$8,548,579	\$8,147,500
CASH	\$1,056,590	\$1,252,883
TOTAL FRS PENSION PLAN	\$149,387,988	\$147,226,392
TOTAL FRS INVESTMENT PLAN	\$9,083,205	\$8,894,899
LAWTON CHILES ENDOWMENT FUND		
LCEF ASSET CLASSES		
GLOBAL EQUITY	\$462,009	\$448,121
FIXED INCOME	\$96,444	\$95,417
TIPS	\$62,252	\$61,972
CASH	\$8,359	\$8,360
TOTAL LAWTON CHILES ENDOWMENT FUND	\$629,064	\$613,870
OTHER FUNDS		
DEBT SERVICE NONESCROW	\$641,942	\$588,686
DEBT SERVICE ESCROW	\$592,335	\$591,802
GAS TAX	\$0	\$0
RETIREE HEALTH INSURANCE SUBSIDY	\$43,356	\$58,587
POLICE AND FIREFIGHTERS	\$146,204	\$219,063
FLORIDA ENDOWMENT FOR VOCATIONAL REHAB.	\$0	\$4
FLORIDA PRIME	\$6,547,460	\$6,889,287
Less Florida PRIME holdings in SBA funds	(\$370,842)	(\$445,046)
FUND B SURPLUS FUNDS TRUST FUND	\$34,404	\$53,234
DEPARTMENT OF THE LOTTERY	\$424,636	\$441,407
SBA ADMINISTRATIVE EXPENSE	\$40,161	\$39,407
PEORP ADMINISTRATIVE TRUST FUND	\$30,442	\$32,439
FLORIDA HURRICANE CATASTROPHE FUND	\$10,104,279	\$9,802,136
STATE BOARD OF ADMINISTRATION FINANCE CORPORATION*	\$2,436,879	\$2,317,307
FLORIDA PREPAID COLLEGE PROGRAM	\$308,301	\$293,873
BOND PROCEEDS	\$2,291	\$4,278
ARBITRAGE COMPLIANCE	\$2,678	\$2,672
REVENUE BOND FEE	\$6,495	\$6,306
INLAND PROTECTION FINANCING CORPORATION	\$2	\$2
BLIND SERVICES	\$4,861	\$4,736
MCKNIGHT EDUCATION FUND	\$1,689	\$1,624
FSU RESEARCH FOUNDATION	\$0	\$21
ICB PROGRAM	\$1,965	\$1,965
BURNHAM INSTITUTE	\$18,253	\$18,256
TORREY PINES INSTITUTE	\$3,558	\$3,559
PINELLAS SUN COAST TRANSIT AUTHORITY	\$0	\$3
SRI INTERNATIONAL	\$107	\$107
UNIVERSITY OF MIAMI	\$20,884	\$20,881
MAX PLANCK	\$3,393	\$3,393
OREGON HEALTH AND SCIENCE	\$2,574	\$2,574
CHARLES STARK DRAPER LABORATORY	\$1,112	\$1,112
PAYING BANK RECALLS	\$0	\$0
OTHER FUNDS TOTAL	\$21,049,418	\$20,953,675
ALL FUNDS	\$180,149,675	\$177,688,836

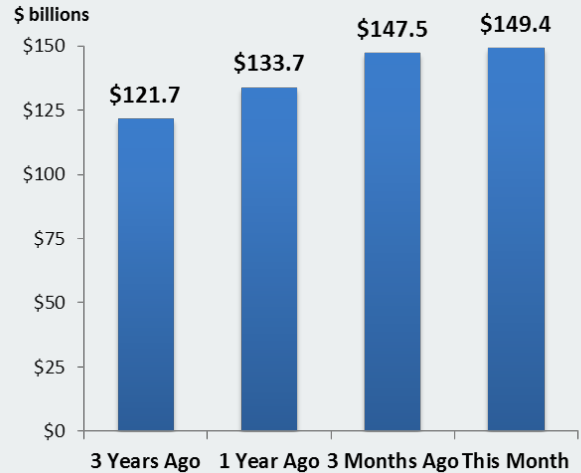
* Formerly the Florida Hurricane Catastrophe Finance Corporation.

FLORIDA RETIREMENT SYSTEM PENSION PLAN

Actual Returns, Benchmark Returns, and Value Added



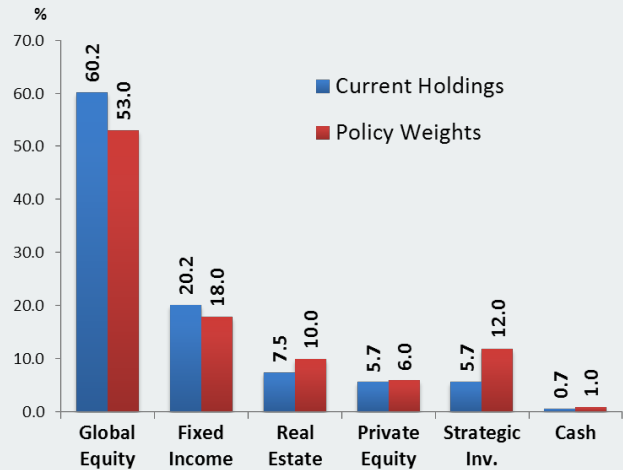
Net Asset Values



Monthly Movement in Asset Allocation Mix

Asset Class	Policy Range		Actual Range	
	Low	High	Low	High
Global Equity	44%	65%	59.6%	60.4%
Fixed Income	16%	32%	20.1%	20.6%
Real Estate	2%	12%	7.5%	7.7%
Private Equity	0%	7%	5.5%	5.7%
Strategic Investments	0%	20%	5.5%	5.7%
Cash	0%	9%	0.7%	1.1%

Asset Allocation



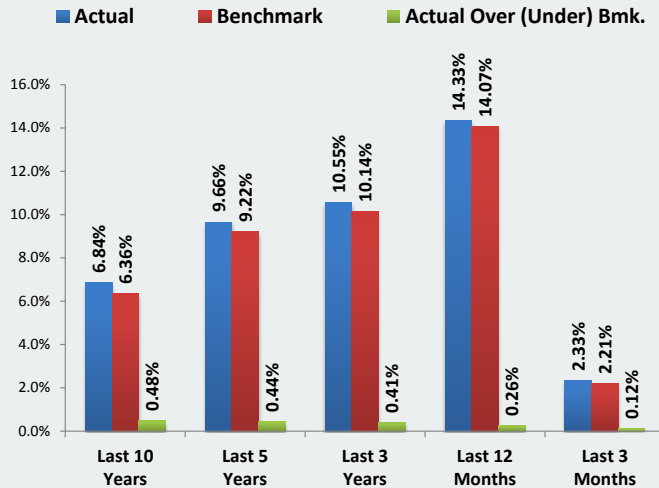
FRS Pension Plan Net Returns by Asset Class

	PAST 3 MONTHS			PAST 12 MONTHS		
	ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK	ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK
TOTAL FRS Pension Plan*	2.47%	2.22%	0.26%	16.34%	15.77%	0.57%
Asset Allocation	2.22%	2.22%	0.00%	16.01%	15.77%	0.24%
Global Equity	2.83%	2.87%	-0.04%	21.16%	20.99%	0.17%
Fixed Income	0.55%	0.47%	0.08%	4.43%	4.09%	0.34%

* Includes returns of private market asset classes and cash in addition to listed asset classes. Strategic Investments, Private Equity and Real Estate include assets whose valuations are subject to significant delays relative to the reporting period.

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

TOTAL PLAN Actual Return, Benchmark Returns, and Value Added



Figures do not include Self Directed Brokerage Account performance

TOTAL PLAN Net Asset Values



Figures do not include Self Directed Brokerage Account balances

Revised FRS Investment Plan Asset Allocation and Net Returns by Asset Type

	PERCENT ALLOCATION	PAST 3 MONTHS			PAST 12 MONTHS		
		ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK	ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK
TOTAL FRS Investment Plan	100.0%	2.33%	2.21%	0.12%	14.33%	14.07%	0.26%
Domestic Equity	41.4%	4.81%	4.46%	0.35%	24.02%	23.60%	0.42%
Foreign Equity	19.3%	0.87%	1.22%	-0.35%	18.91%	18.80%	0.11%
Fixed Income	20.9%	0.70%	0.78%	-0.08%	5.68%	5.64%	0.05%
Real Asset & TIPS	8.9%	0.09%	0.77%	-0.68%	5.12%	5.70%	-0.58%
Money Market Funds	9.5%	0.03%	0.01%	0.03%	0.17%	0.02%	0.14%

Figures do not include Self Directed Brokerage Account holdings

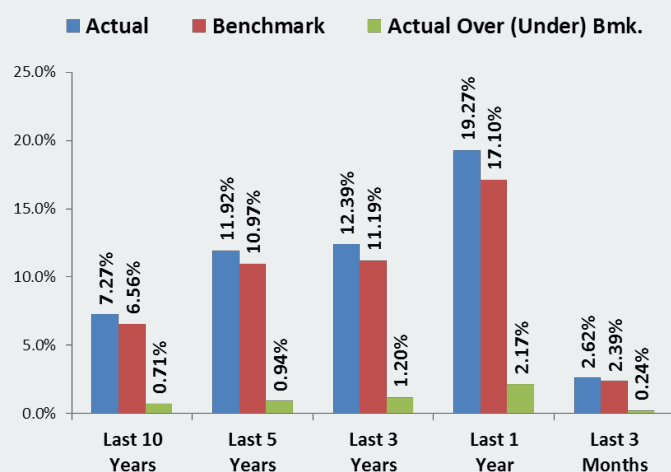
FRS Elections

	New Employee				Second Elections			
	Defaults (Pension)	Pension Plan	Investment Plan/Hybrid	FY Totals	Pension Plan	Investment Plan/Hybrid	FY Totals	
FY 09-10	21,501 55.5%	8,158 21.1%	9,071 23.4%	38,730	289 6.1%	4,420 93.9%	4,709	
FY 10-11	21,049 52.6%	9,042 22.6%	9,960 24.9%	40,051	381 4.4%	8,330 95.6%	8,711	
FY 11-12	20,064 52.8%	6,976 18.4%	10,937 28.8%	37,977	351 5.2%	6,443 94.8%	6,794	
FY 12-13	26,105 57.6%	7,345 16.2%	11,895 26.2%	45,345	547 8.7%	5,741 91.3%	6,288	
FY 13-14	30,400 58.6%	8,499 16.4%	13,025 25.1%	51,924	583 9.2%	5,721 90.8%	6,304	
FY 14-15*	4,710 61.7%	1,255 16.4%	1,675 21.9%	7,640	109 11.6%	830 88.4%	939	
Total	123,829 55.9%	41,275 18.6%	56,563 25.5%	221,667	2,260 6.7%	31,485 93.3%	33,745	

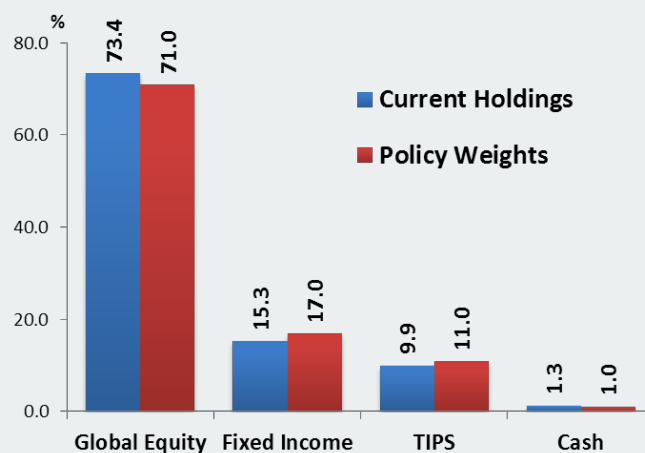
* Percentages are shares of FY Totals as of 8/31/2014 and may not add up due to rounding.

LAWTON CHILES ENDOWMENT FUND

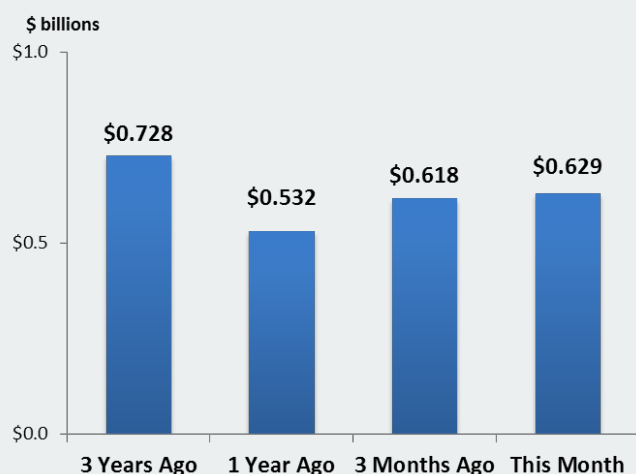
Actual Returns, Benchmark Returns, and Value Added



Asset Allocation



Net Asset Values



Monthly Movement in Asset Allocation Mix

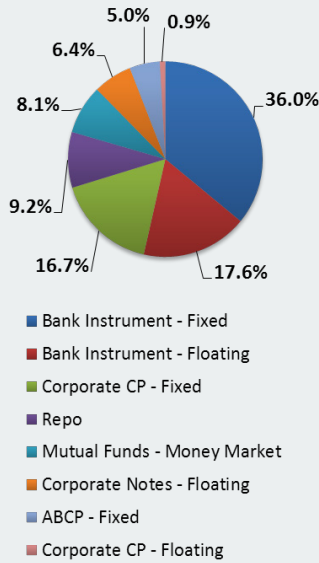
Asset Class	Policy Range		Actual Range	
	Low	High	Low	High
Global Equity	61.0%	81.0%	72.7%	73.5%
Fixed Income	12.0%	22.0%	15.3%	15.7%
TIPS	6.0%	16.0%	9.7%	10.2%
Cash	0.0%	10.0%	1.3%	1.4%

Revised Chiles Endowment Net Returns by Asset Class

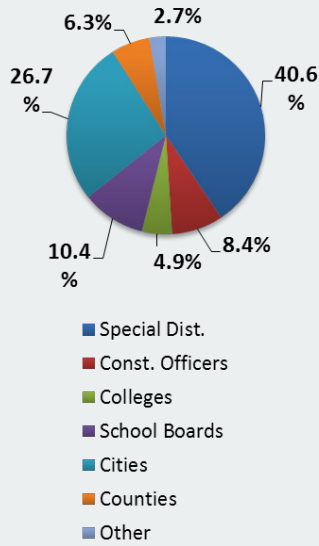
	PAST 3 MONTHS			PAST 12 MONTHS		
	ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK	ACTUAL	BENCHMARK	ACTUAL MINUS BENCHMARK
TOTAL LCEF	2.62%	2.39%	0.24%	19.27%	17.10%	2.17%
Asset Allocation	2.43%	2.39%	0.04%	17.32%	17.10%	0.22%
Global Equity	3.24%	3.02%	0.23%	24.78%	22.04%	2.74%
Fixed Income	0.95%	0.90%	0.05%	5.56%	5.66%	-0.10%
TIPS	0.78%	0.77%	0.01%	5.63%	5.70%	-0.07%
Cash	0.09%	0.01%	0.08%	0.29%	0.05%	0.24%

FLORIDA PRIME AND FUND B

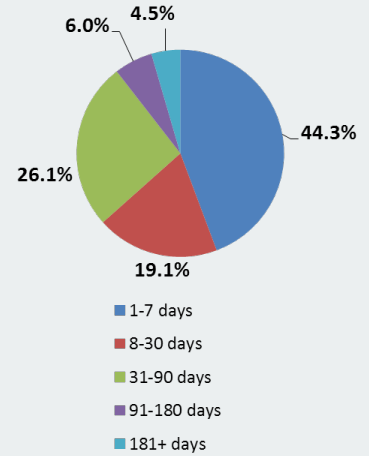
**Florida PRIME
Portfolio Composition**



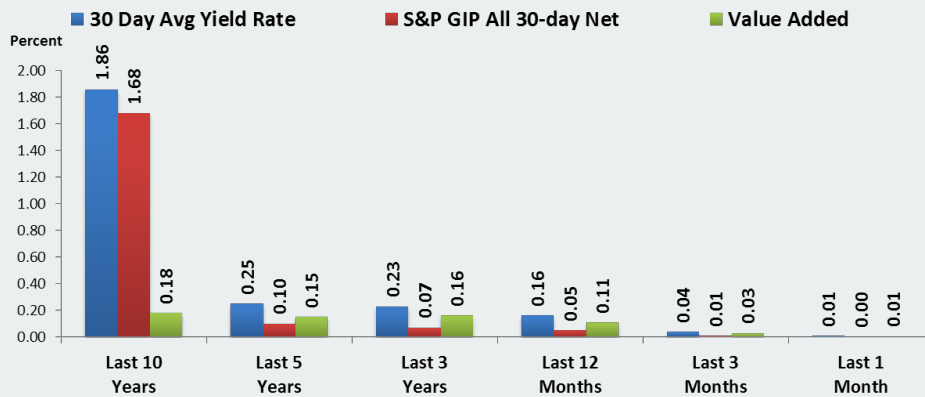
**Florida PRIME
Participants by Type - 857 Total**



**Florida PRIME
Effective Maturity Schedule**



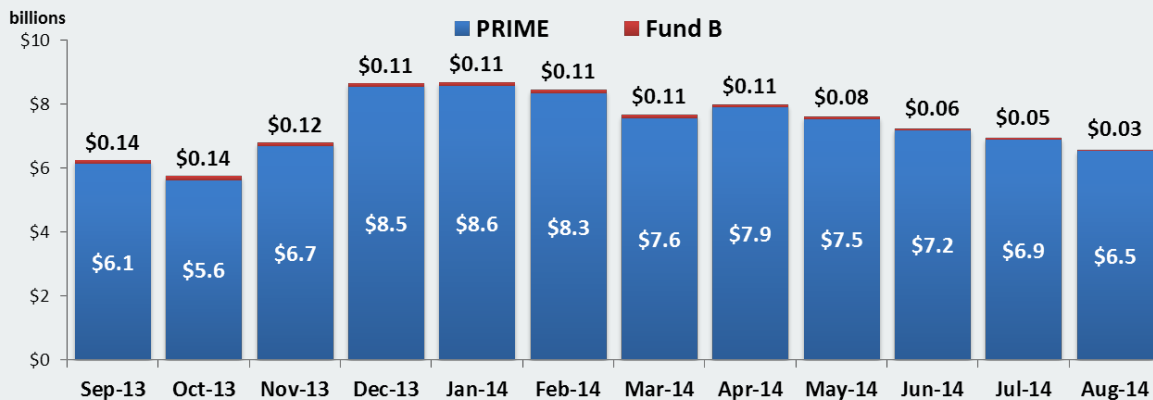
**Florida PRIME Yield*, S&P GIP All 30-day Net Yield
and Value Added**



* Return calculated pursuant to Chapter 19-7.011, Florida Administrative Code

** Returns less than 1-year are not annualized

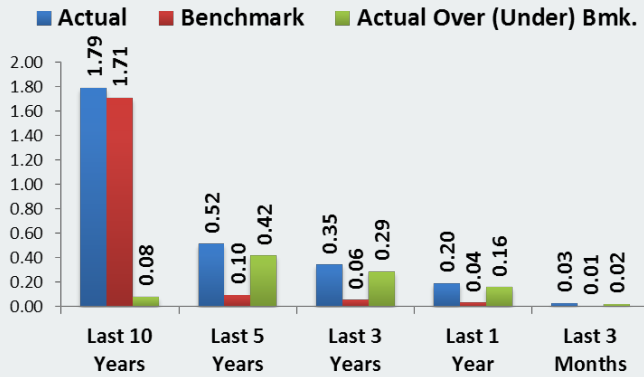
Florida PRIME and Fund B Market Values



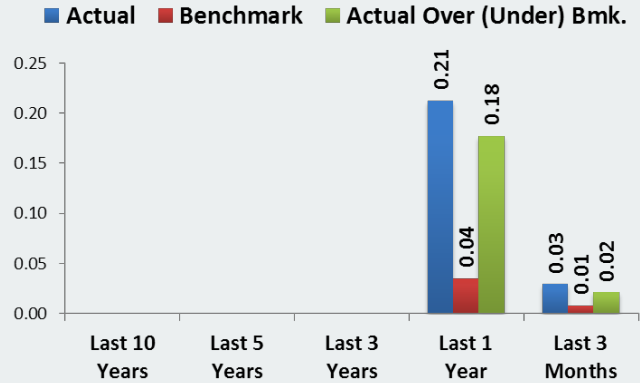
Revised Performance through August 31, 2014

FLORIDA HURRICANE CATASTROPHE FUND

OPERATING FUND
Actual Returns, Benchmark Returns,
and Value Added



2013A NOTE PROCEEDS
Actual Returns, Benchmark Returns,
and Value Added



Revised OPERATING FUND
Net Asset Values



Revised 2013A NOTE PROCEEDS
Net Asset Values



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