

**Callan Associates Inc.
Investment Measurement Service
Quarterly Review**

**City of Milwaukee Employees' Retirement System
June 30, 2011**

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Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2011, with the distribution as of March 31, 2011.

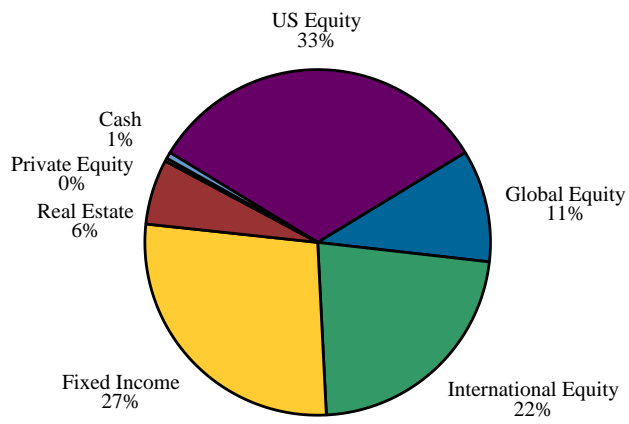
Asset Distribution Across Investment Managers

	June 30, 2011		March 31, 2011	
	Market Value	Percent	Market Value	Percent
Total Domestic Equity	\$1,438,090,612	32.66%	\$1,494,131,051	33.72%
Northern Trust Global	358,020,758	8.13%	357,597,797	8.07%
BlackRock R1000 Alpha Tilts	178,756,864	4.06%	184,488,314	4.16%
Turner Investment Partners	227,258,076	5.16%	229,500,446	5.18%
AllianceBernstein L.P.	222,758,546	5.06%	231,266,830	5.22%
Ernest Partners LLC	135,840,241	3.09%	144,904,785	3.27%
Dimensional Fund Advisors Inc.	207,826,061	4.72%	235,465,270	5.31%
Allianz Global Investors Capital	107,630,067	2.44%	110,907,609	2.50%
Total Global Equity	\$463,261,255	10.52%	\$467,492,808	10.55%
Grantham Mayo Van Otterloo	237,129,214	5.39%	237,722,637	5.37%
T. Rowe Price	226,132,041	5.14%	229,770,172	5.19%
Total International Equity	\$987,606,582	22.43%	\$982,905,399	22.18%
Brandes Investment Partners	390,748,588	8.88%	387,269,626	8.74%
William Blair & Company	467,991,130	10.63%	464,831,671	10.49%
Dimensional Fund Advisors Inc.	128,866,863	2.93%	130,804,101	2.95%
Total Fixed Income	\$1,209,274,520	27.47%	\$1,199,750,097	27.08%
BlackRock Intermediate Agg	258,390,174	5.87%	262,613,492	5.93%
Reams Asset Management	268,700,192	6.10%	263,232,127	5.94%
Loomis, Sayles & Company, L.P.	450,988,385	10.24%	450,904,259	10.18%
Wellington Management Company	231,195,769	5.25%	223,000,219	5.03%
Total Private Equity	\$11,107,594	0.25%	\$6,622,718	0.15%
Abbott Capital Management 2010	890,316	0.02%	739,923	0.02%
Abbott Capital Management 2011	555,191	0.01%	-	-
Mesirow Financial	9,662,087	0.22%	5,882,795	0.13%
Total Real Estate	\$268,799,197	6.11%	\$255,966,295	5.78%
Real Estate	268,799,197	6.11%	255,966,295	5.78%
Total Cash	\$24,422,616	0.55%	\$23,746,808	0.54%
Cash	24,422,616	0.55%	23,746,808	0.54%
Total Fund	\$4,402,562,377	100.0%	\$4,430,615,175	100.0%

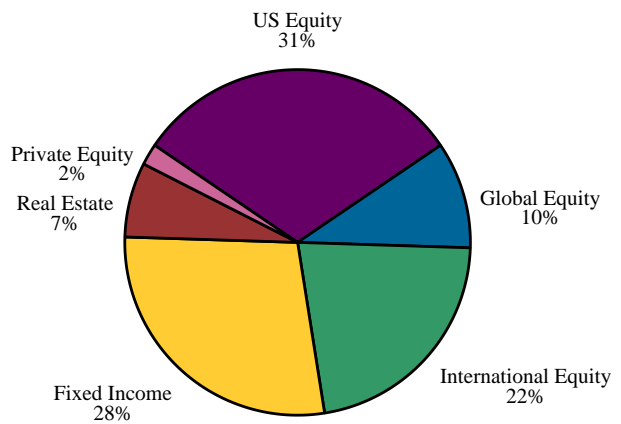
Actual vs Target Asset Allocation

The top left chart shows the Fund's asset allocation as of June 30, 2011. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the CAI Public Fund Sponsor Database.

Actual Asset Allocation

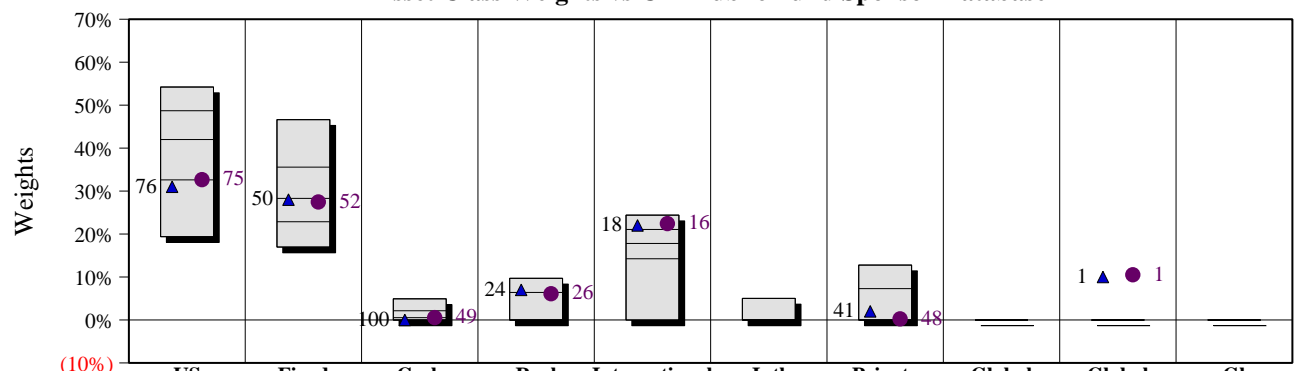


Target Asset Allocation



Asset Class	\$000s Actual	Percent Actual	Percent Target	Percent Difference	\$000s Difference
US Equity	1,438,091	32.7%	31.0%	1.7%	73,296
Global Equity	463,261	10.5%	10.0%	0.5%	23,005
International Equity	987,607	22.4%	22.0%	0.4%	19,043
Fixed Income	1,209,275	27.5%	28.0%	(0.5%)	(23,443)
Real Estate	268,799	6.1%	7.0%	(0.9%)	(39,380)
Private Equity	11,108	0.3%	2.0%	(1.7%)	(76,944)
Cash	24,423	0.6%	0.0%	0.6%	24,423
Total	4,402,562	100.0%	100.0%		

Asset Class Weights vs CAI Public Fund Sponsor Database



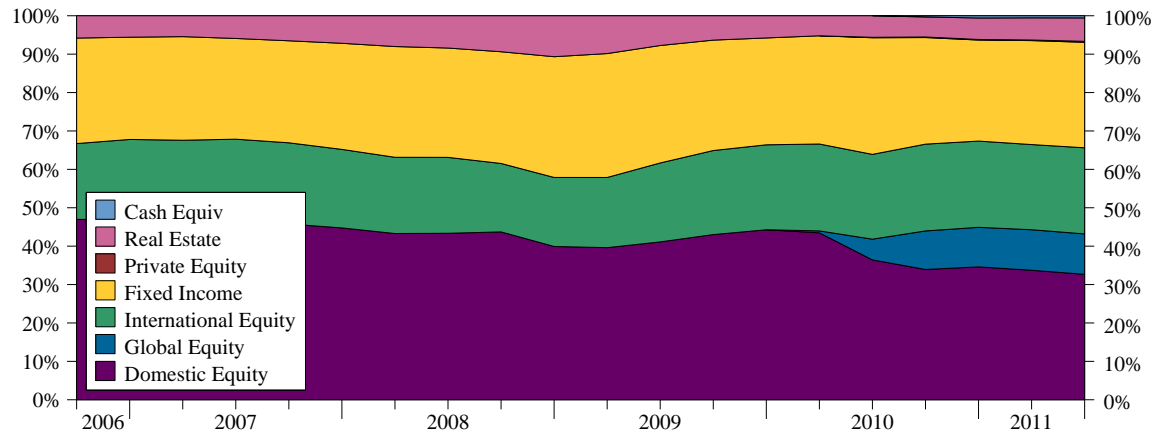
10th Percentile	54.22	46.62	4.92	9.70	24.40	5.02	12.78	0.00	0.00	0.00
25th Percentile	48.70	35.57	2.14	6.41	21.07	0.00	7.29	0.00	0.00	0.00
Median	42.00	28.30	0.54	0.00	17.81	0.00	0.00	0.00	0.00	0.00
75th Percentile	32.61	22.86	0.00	0.00	14.24	0.00	0.00	0.00	0.00	0.00
90th Percentile	19.39	16.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fund	● 32.66	27.47	0.55	6.11	22.43	-	0.25	-	10.52	-
Target	▲ 31.00	28.00	0.00	7.00	22.00	-	2.00	-	10.00	-
% Group Invested	97.75%	98.88%	67.42%	48.31%	88.76%	17.98%	48.31%	1.12%	7.87%	1.12%

* Current Quarter Target = 31.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index, 7.0% NCREIF Property (1 Qtr in Arrears) and 2.0% Russell 3000 (On a Qtr Lag) + 3%.

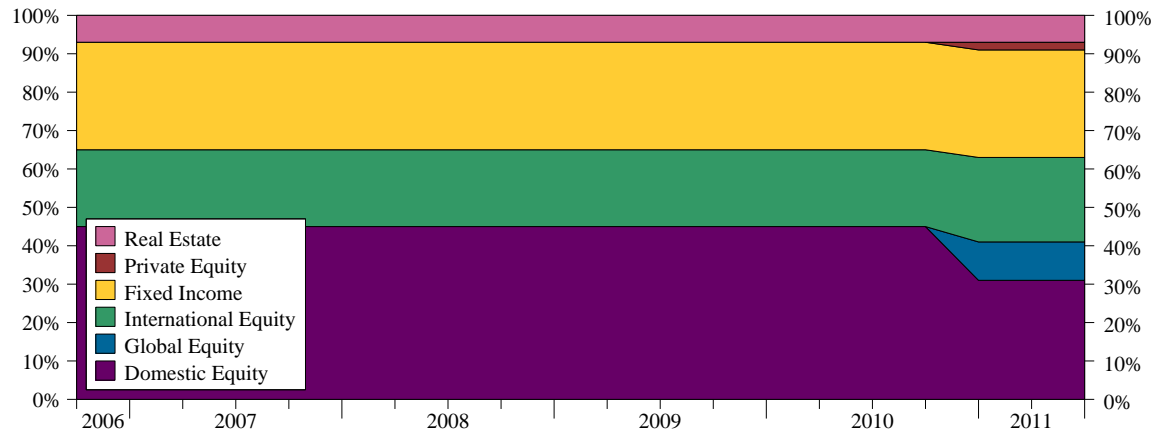
Actual vs Target Historical Asset Allocation

The Historical asset allocation for a fund is by far the largest factor explaining its performance. The charts below show the fund's historical actual asset allocation, the fund's historical target asset allocation, and the historical asset allocation of the average fund in the CAI Public Fund Sponsor Database.

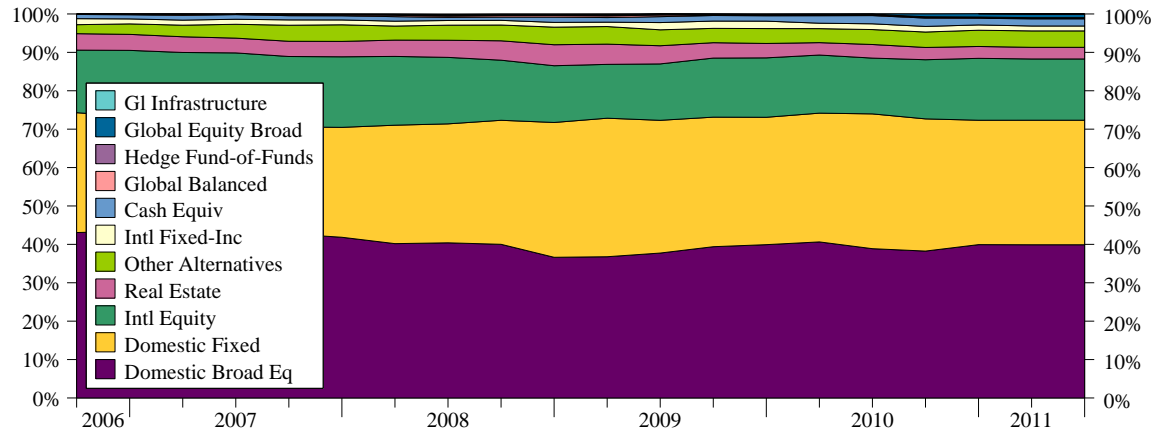
Actual Historical Asset Allocation



Target Historical Asset Allocation



Average CAI Public Fund Sponsor Database Historical Asset Allocation



* Current Quarter Target = 31.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index, 7.0% NCREIF Property (1 Qtr in Arrears) and 2.0% Russell 3000 (On a Qtr Lag) + 3%.



TOTAL FUND PERIOD ENDED JUNE 30, 2011

Investment Philosophy

The Public Fund Sponsor Database consists of public employee pension total funds including both Callan Associates client and surveyed non-client funds. The Total Fund Reference Index consists of 33% Russell 3000, 28% Barclays Capital Aggregate, 22% MSCI EAFE (net), 10% MSCI World (net) and 7% NCREIF Property (One Quarter in Arrears).

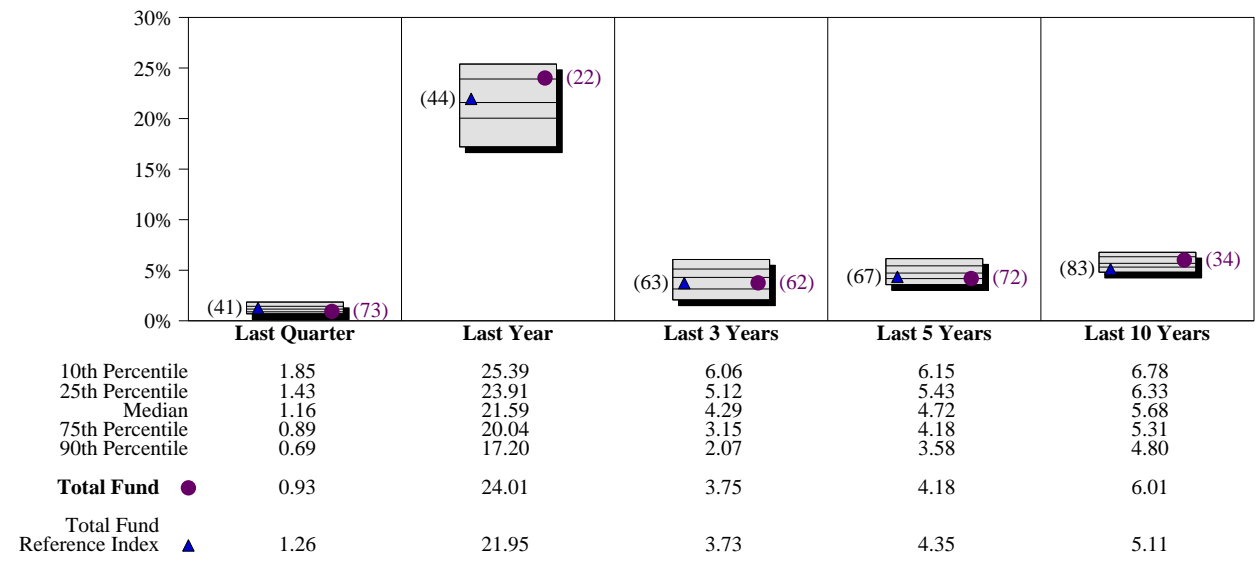
Quarterly Summary and Highlights

- Total Fund's portfolio posted a 0.93% return for the quarter placing it in the 73 percentile of the CAI Public Fund Sponsor Database group for the quarter and in the 22 percentile for the last year.
- Total Fund's portfolio underperformed the Total Fund Reference Index by 0.33% for the quarter and outperformed the Total Fund Reference Index for the year by 2.06%.

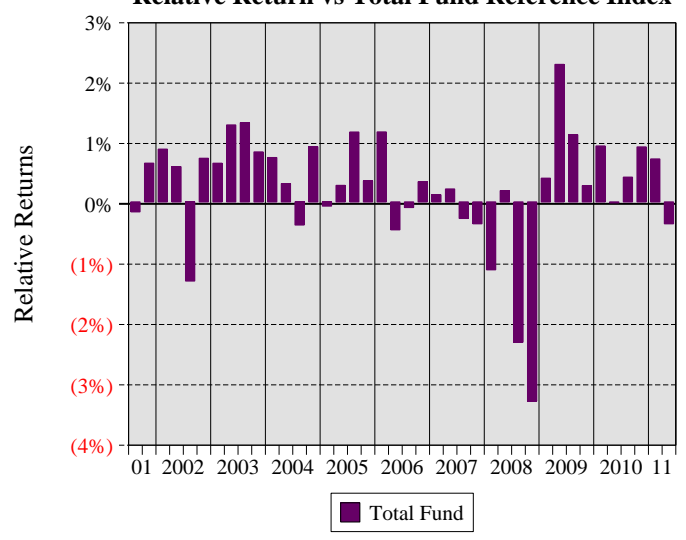
Quarterly Asset Growth

Beginning Market Value	\$4,430,615,175
Net New Investment	\$-69,082,498
Investment Gains/(Losses)	\$41,029,699
Ending Market Value	\$4,402,562,377

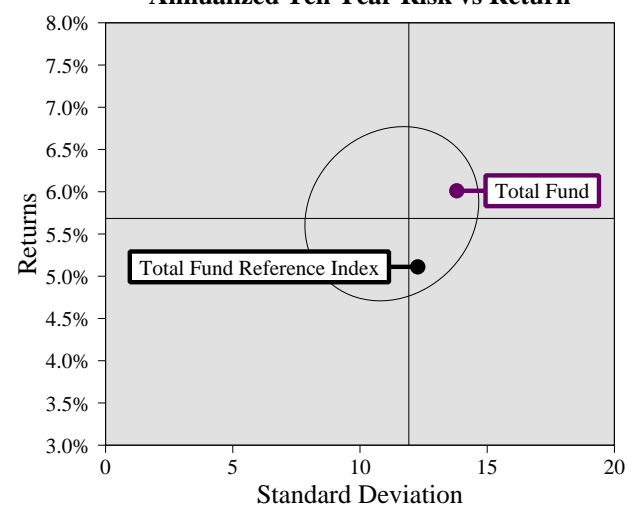
Performance vs CAI Public Fund Sponsor Database (Gross)



Relative Return vs Total Fund Reference Index



CAI Public Fund Sponsor Database (Gross) Annualized Ten Year Risk vs Return



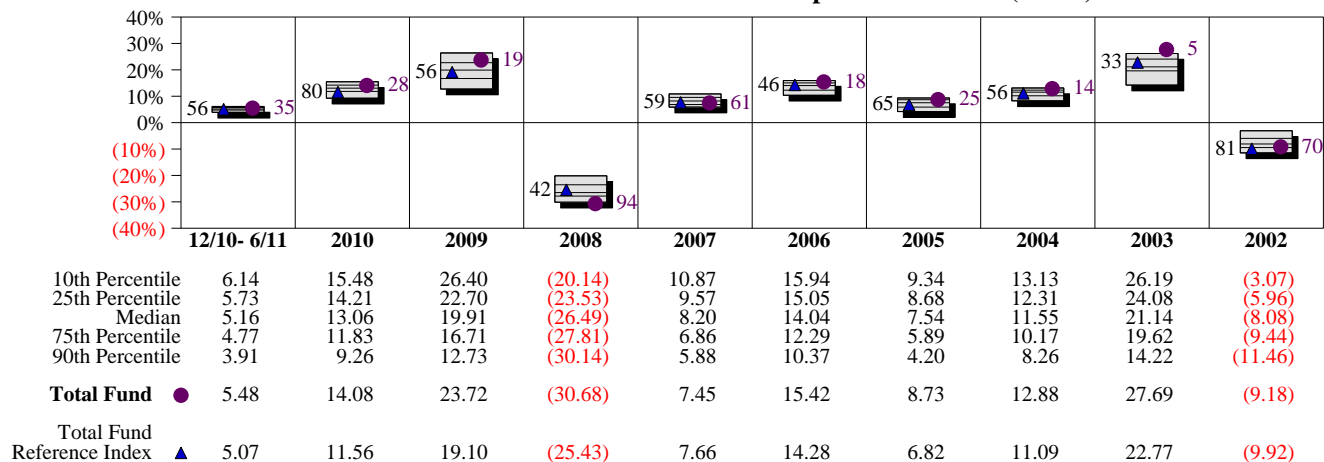


TOTAL FUND RETURN ANALYSIS SUMMARY

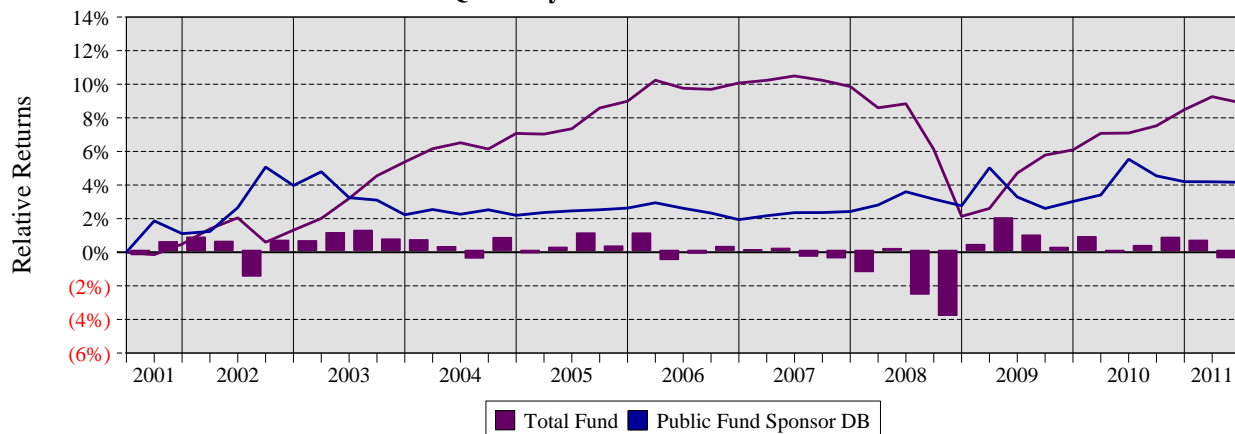
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

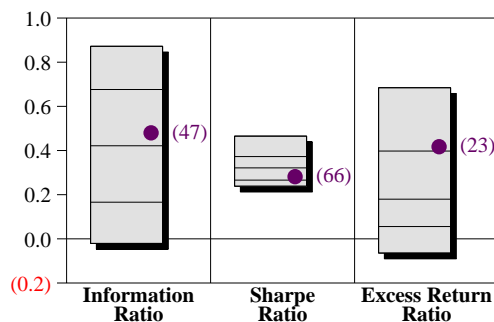
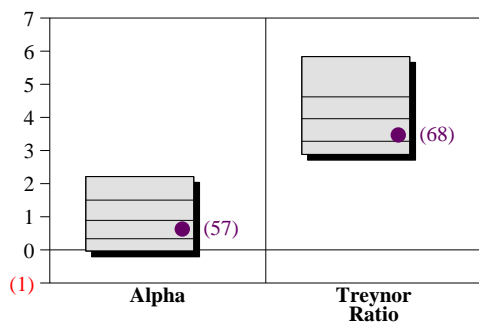
Performance vs CAI Public Fund Sponsor Database (Gross)



Cumulative and Quarterly Relative Return vs Total Fund Reference Index



**Risk Adjusted Return Measures vs Total Fund Reference Index
Rankings Against CAI Public Fund Sponsor Database (Gross)
Ten Years Ended June 30, 2011**



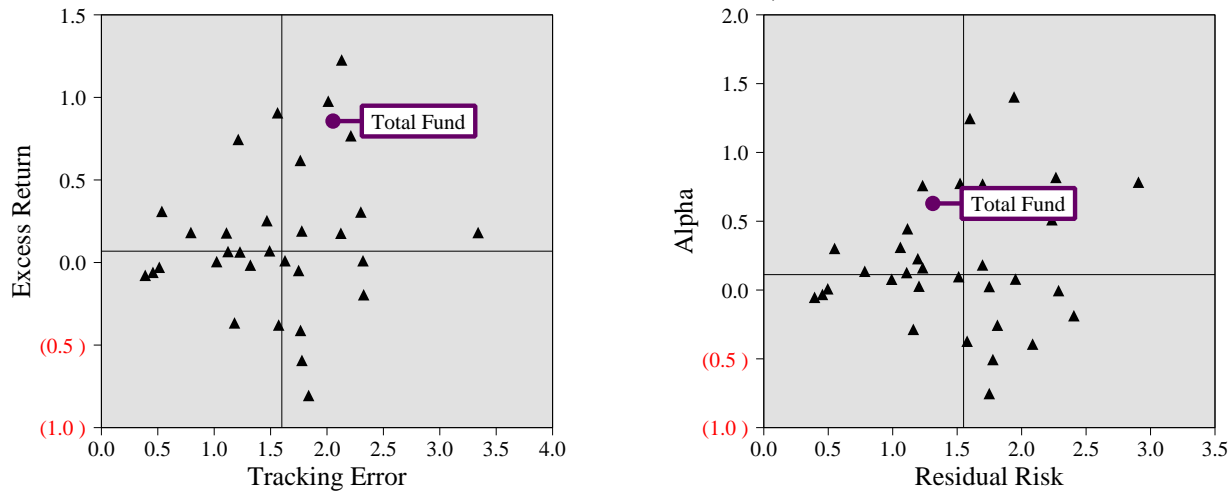
TOTAL FUND

TOTAL FUND VS. TARGET RISK ANALYSIS

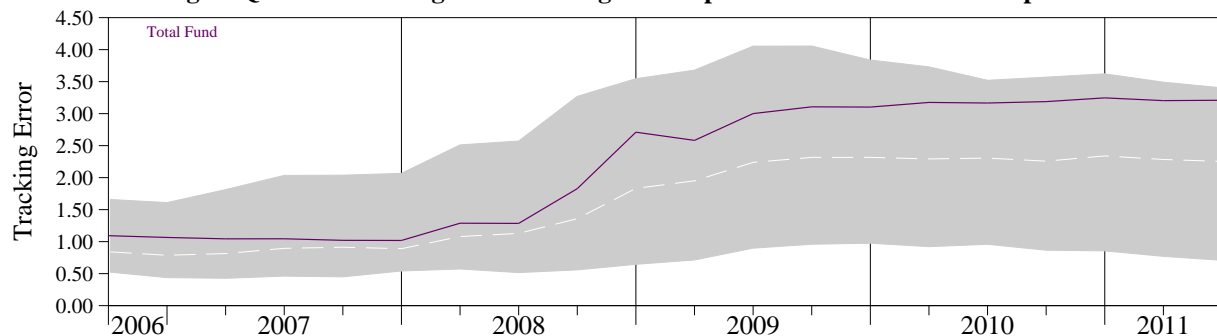
Risk Analysis

The graphs below analyze the performance and risk of the fund relative to the appropriate target mix. This relative performance is compared to a peer group of funds wherein each member fund is measured against its own target mix. The first scatter chart illustrates the relationship, called Excess Return Ratio, between excess return and tracking error relative to the target. The second scatter chart displays the relationship, sometimes called Information Ratio, between alpha (market-risk or "beta" adjusted return) and residual risk (non-market or "unsystematic" risk). The third chart shows tracking error patterns over time compared to the range of tracking error patterns for the peer group. The last two charts show the ranking of the fund's risk statistics versus the peer group.

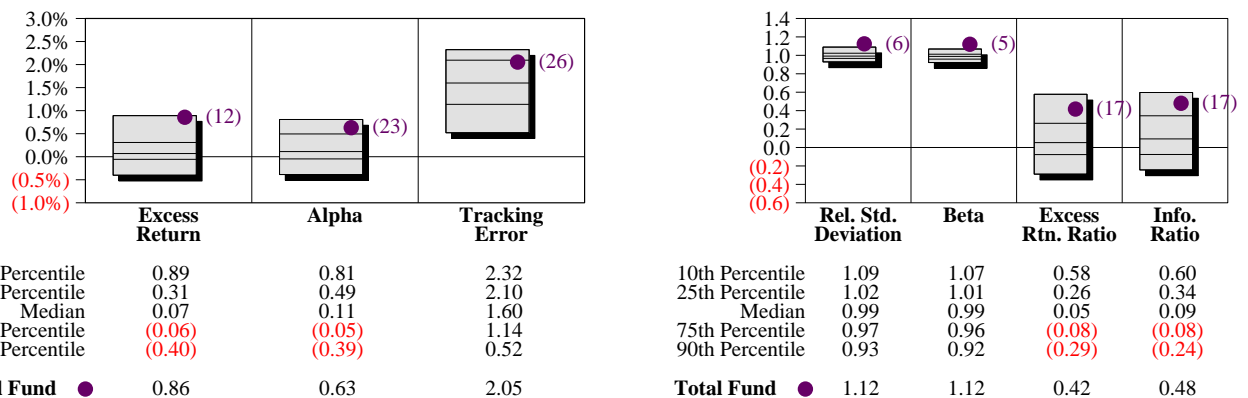
**Risk Analysis vs CAI Public Fund Sponsor Database
Ten Years Ended June 30, 2011**



Rolling 12 Quarter Tracking Error vs Targets Compared to CAI Public Fund Sponsor Database



**Risk Statistics Rankings vs Targets
Rankings Against CAI Public Fund Sponsor Database
Ten Years Ended June 30, 2011**

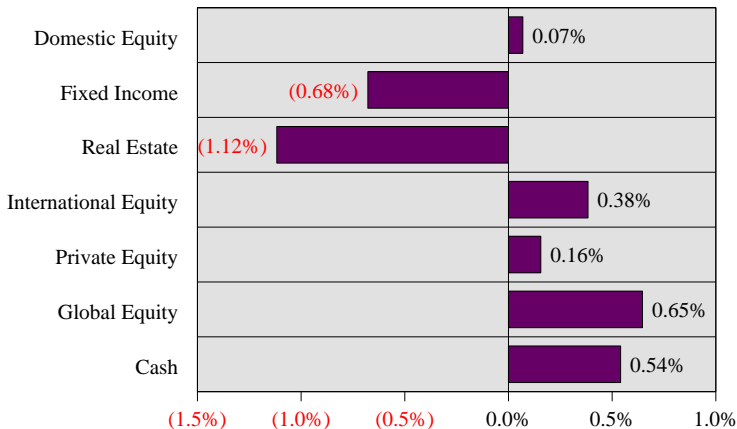




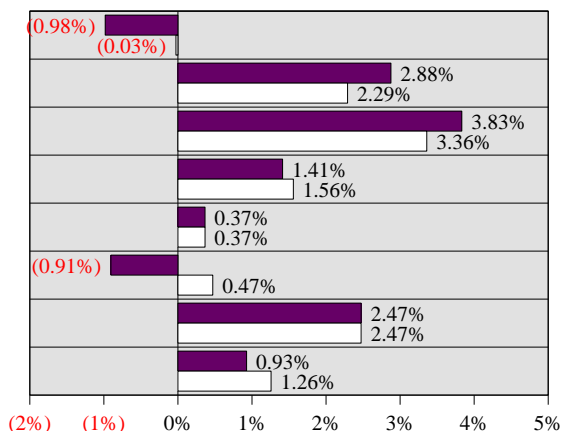
Quarterly Total Fund Relative Attribution - June 30, 2011

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Asset Allocation Effect and Manager Selection Effect. The Asset Allocation Effect represents the excess return due to the actual total fund asset allocation differing from the target asset allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

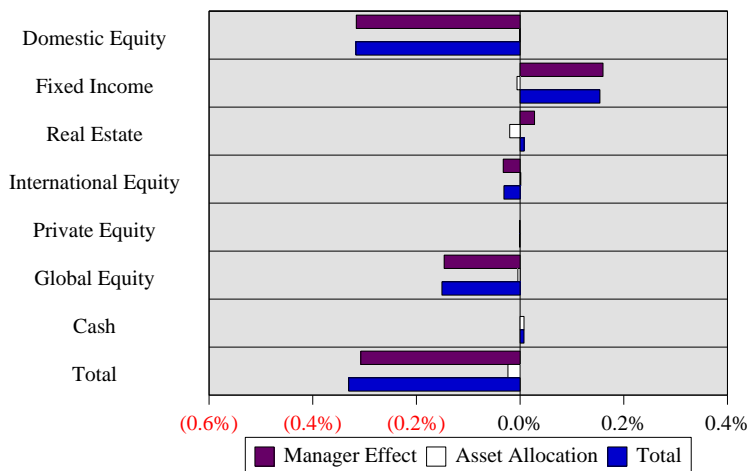
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended June 30, 2011

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	33%	33%	(0.98%)	(0.03%)	(0.32%)	(0.00%)	(0.32%)
Fixed Income	27%	28%	2.88%	2.29%	0.16%	(0.01%)	0.15%
Real Estate	6%	7%	3.83%	3.36%	0.03%	(0.02%)	0.01%
International Equity	22%	22%	1.41%	1.56%	(0.03%)	0.00%	(0.03%)
Private Equity	0%	0%	0.37%	0.37%	0.00%	(0.00%)	(0.00%)
Global Equity	11%	10%	(0.91%)	0.47%	(0.15%)	(0.00%)	(0.15%)
Cash	1%	0%	2.47%	2.47%	0.00%	0.01%	0.01%

Total $0.93\% = 1.26\% + (0.31\%) + (0.02\%)$ **(0.33%)**

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).

Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods ended June 30, 2011. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns and Rankings for Periods Ended June 30, 2011

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception	
Total Domestic Equity	(0.98%)		34.16%		4.04%		2.45%		4.69%	
Russell 3000 Index	(0.03%)		32.37%		4.00%		3.35%		3.63%	
Northern Trust Global	0.12%	58	30.70%	68	3.24%	57	2.88%	79	9.57%	89
S&P 500 Index	0.10%	58	30.69%	68	3.34%	56	2.94%	78	9.58%	89
CAI Large Cap Core Style	0.19%	50	31.97%	50	3.63%	50	3.61%	50	10.64%	50
BlackRock R1000 Alpha Tilts	1.42%	19	33.62%	27	2.19%	86	1.51%	97	5.51%	80
Russell 1000 Index	0.12%	58	31.93%	50	3.68%	47	3.30%	65	5.87%	60
CAI Large Cap Core Style	0.19%	50	31.97%	50	3.63%	50	3.61%	50	6.10%	50
Turner Investment Partners	(0.98%)	88	35.12%	44	1.68%	80	1.63%	98	6.46%	92
Russell 1000 Growth Index	0.76%	42	35.01%	46	5.01%	38	5.33%	50	8.23%	58
CAI Lrg Cap Growth Style	0.28%	50	34.47%	50	4.10%	50	5.36%	50	8.43%	50
AllianceBernstein L.P.	(1.59%)	86	27.71%	83	(0.58%)	92	(1.38%)	99	6.40%	95
Blended Benchmark	(0.50%)	50	28.94%	67	2.28%	61	1.15%	65	6.36%	95
CAI Large Cap Value Style	(0.51%)	50	29.74%	50	2.96%	50	2.06%	50	7.96%	50
Ernest Partners LLC	(0.38%)	60	37.83%	58	6.56%	50	6.58%	46	7.58%	50
Russell MidCap Index	0.42%	38	38.47%	56	6.46%	51	5.30%	66	6.65%	69
CAI Mid Cap Style	(0.08%)	50	39.01%	50	6.57%	50	6.27%	50	7.58%	50
Dimensional Fund Advisors Inc.	(3.40%)	88	40.70%	13	11.43%	37	4.01%	56	12.29%	25
Russell 2000 Value Index	(2.65%)	63	31.35%	68	7.09%	87	2.24%	83	8.97%	93
CAI Small Cap Value Style	(1.72%)	50	34.31%	50	10.37%	50	4.74%	50	11.58%	50
Allianz Global Investors Capital	(2.96%)	94	35.38%	92	-	-	-	-	16.70%	90
Russell 2000 Growth Index	(0.59%)	68	43.50%	63	8.35%	50	5.79%	56	23.55%	66
CAI Sm Cap Growth Style	0.52%	50	46.44%	50	8.63%	50	6.33%	50	25.65%	50
Total Global Equity	(0.91%)		29.90%		-		-		9.58%	
MSCI The World Index	0.47%		30.51%		0.47%		2.28%		11.04%	
Grantham Mayo Van Otterloo	(0.25%)	75	31.02%	49	-	-	-	-	10.78%	63
MSCI The World Index	0.47%	59	30.51%	54	0.47%	66	2.28%	70	11.04%	62
CAI Global Eq Broad Style	0.92%	50	30.85%	50	1.48%	50	3.45%	50	12.19%	50
T. Rowe Price	(1.58%)	91	29.11%	70	-	-	-	-	29.11%	70
MSCI AC World	0.25%	65	30.14%	57	0.92%	61	3.16%	56	30.14%	57
CAI Global Eq Broad Style	0.92%	50	30.85%	50	1.48%	50	3.45%	50	30.85%	50

Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods ended June 30, 2011. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns and Rankings for Periods Ended June 30, 2011

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception	
Total International Equity	1.41%		28.68%		0.18%		3.49%		7.79%	
MSCI EAFE Index	1.56%		30.36%		(1.77%)		1.48%		4.73%	
Brandes Investment Partners	0.90%	81	25.05%	91	(0.22%)	52	2.05%	66	8.75%	7
MSCI EAFE Index	1.56%	66	30.36%	63	(1.77%)	71	1.48%	80	4.03%	94
CAI Non-U.S. Equity Style	1.93%	50	31.60%	50	(0.09%)	50	2.94%	50	5.91%	50
William Blair & Company	2.63%	19	29.83%	69	(0.58%)	56	4.20%	26	8.77%	29
MSCI ACWI ex-US Index	0.61%	84	30.27%	63	0.11%	47	4.14%	28	9.04%	24
CAI Non-U.S. Equity Style	1.93%	50	31.60%	50	(0.09%)	50	2.94%	50	8.04%	50
Dimensional Fund Advisors Inc.	(1.31%)	91	35.73%	80	3.75%	40	4.53%	55	2.89%	1
Blended Benchmark	0.85%	74	35.24%	83	1.34%	67	0.37%	90	(1.29%)	100
CAI Int'l Small Cap Style	2.01%	50	40.35%	50	2.67%	50	5.35%	50	-	
Total Fixed Income	2.88%		9.34%		9.96%		8.80%		8.80%	
Barclays Capital Aggregate	2.29%		3.90%		6.46%		6.52%		7.31%	
BlackRock Intermediate Agg	2.19%	20	4.22%	56	6.45%	64	6.55%	56	6.09%	1
Barclays Capital Int Aggregate	2.17%	22	3.99%	66	6.27%	76	6.39%	73	5.98%	1
CAI Intermediate F-I Styl	2.05%	50	4.29%	50	6.72%	50	6.67%	50	0.00%	50
Reams Asset Management	2.08%	60	5.09%	91	10.07%	21	8.69%	20	6.76%	1
Barclays Capital Aggregate	2.29%	25	3.90%	98	6.46%	84	6.52%	69	5.70%	1
CAI FI Core Plus Style	2.16%	50	6.92%	50	8.40%	50	7.31%	50	0.00%	50
Loomis, Sayles & Company, L.P.	3.34%	1	14.56%	1	11.07%	10	9.67%	7	10.19%	1
Barclays Capital Aggregate	2.29%	25	3.90%	98	6.46%	84	6.52%	69	7.31%	91
CAI FI Core Plus Style	2.16%	50	6.92%	50	8.40%	50	7.31%	50	8.21%	50
Wellington Management Company	3.68%	16	-	-	-	-	-	-	4.89%	1
CG WGBI Index	3.33%	33	10.54%	64	5.80%	78	7.35%	59	4.02%	1
CAI Global Fixed-Inc DB	2.90%	50	11.53%	50	7.16%	50	7.61%	50	11.53%	50
Total Private Equity	0.37%		3.27%		-		-		3.27%	
Abbott Capital Management	(21.21%)		(68.78%)		-		-		(68.78%)	
Mesirow Financial	2.51%		11.68%		-		-		11.68%	
Russell 3000 (On a Qtr Lag) + 3%	7.13%		20.85%		-		-		20.85%	
Total Real Estate	3.83%		17.68%		(14.08%)		(3.19%)		5.27%	
Real Estate	3.83%	64	17.68%	72	(14.08%)	100	(3.19%)	100	5.27%	71
NCREIF Property (1 Quarter in Arrears)	3.36%	73	16.03%	88	(3.63%)	3	3.46%	12	7.12%	20
Open-End Real Estate	4.64%	50	19.46%	50	(7.99%)	50	(0.44%)	50	-	
Total Fund	0.93%		24.01%		3.75%		4.18%		9.89%	
Total Fund Reference Index	1.26%		21.95%		3.73%		4.35%		-	

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).
City of Milwaukee Employees' Retirement System

Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2010- 6/2011		2010		2009		2008		2007	
Total Domestic Equity	6.48%		19.06%		31.61%		(40.74%)		2.89%	
Russell 3000 Index	6.35%		16.93%		28.34%		(37.31%)		5.14%	
Northern Trust Global	6.09%	55	15.16%	42	27.12%	49	(37.62%)	72	5.49%	60
S&P 500 Index	6.02%	57	15.06%	43	26.47%	50	(37.00%)	65	5.49%	60
CAI Large Cap Core Style	6.50%	50	14.40%	50	26.51%	50	(36.36%)	50	6.41%	50
BlackRock R1000 Alpha Tilts	7.76%	32	12.41%	80	26.59%	50	(36.97%)	65	(0.02%)	96
Russell 1000 Index	6.37%	52	16.10%	26	28.43%	44	(37.60%)	72	5.77%	58
CAI Large Cap Core Style	6.50%	50	14.40%	50	26.51%	50	(36.36%)	50	6.41%	50
Turner Investment Partners	5.98%	55	19.50%	19	35.51%	46	(49.92%)	97	18.17%	38
Russell 1000 Growth Index	6.83%	40	16.71%	53	37.21%	38	(38.44%)	40	11.81%	70
CAI Lrg Cap Growth Style	6.28%	50	16.77%	50	34.39%	50	(39.49%)	50	16.01%	50
AllianceBernstein L.P.	4.99%	75	13.39%	63	27.72%	23	(46.42%)	93	(1.10%)	72
Blended Benchmark	5.92%	59	15.51%	29	19.69%	76	(36.85%)	60	(0.17%)	61
CAI Large Cap Value Style	6.27%	50	14.32%	50	22.57%	50	(35.97%)	50	1.12%	50
Ernest Partners LLC	8.33%	48	27.56%	32	42.81%	30	(40.07%)	45	9.28%	54
Russell MidCap Index	8.08%	52	25.48%	51	40.48%	40	(41.46%)	57	5.60%	66
CAI Mid Cap Style	8.19%	50	25.49%	50	37.08%	50	(40.57%)	50	10.13%	50
Dimensional Fund Advisors Inc.	4.99%	54	34.59%	8	36.77%	35	(37.14%)	75	(9.71%)	59
Russell 2000 Value Index	3.77%	67	24.50%	76	20.58%	78	(28.92%)	18	(9.78%)	59
CAI Small Cap Value Style	5.12%	50	27.38%	50	32.23%	50	(33.01%)	50	(8.60%)	50
Allianz Global Investors Capital	10.39%	59	-	-	-	-	-	-	-	-
Russell 2000 Growth Index	8.59%	76	29.09%	44	34.47%	68	(38.54%)	15	7.05%	75
CAI Sm Cap Growth Style	11.55%	50	28.81%	50	38.09%	50	(42.68%)	50	14.07%	50
Total Global Equity	4.56%		-		-		-		-	
MSCI The World Index	5.29%		11.76%		29.99%		(40.71%)		9.04%	
Grantham Mayo Van Otterloo	6.12%	38	-	-	-	-	-	-	-	-
MSCI The World Index	5.29%	53	11.76%	64	29.99%	67	(40.71%)	37	9.04%	62
CAI Global Eq Broad Style	5.52%	50	12.73%	50	32.73%	50	(42.04%)	50	11.69%	50
T. Rowe Price	2.97%	81	-	-	-	-	-	-	-	-
MSCI AC World	4.68%	63	12.67%	51	34.63%	38	(42.20%)	51	11.66%	50
CAI Global Eq Broad Style	5.52%	50	12.73%	50	32.73%	50	(42.04%)	50	11.69%	50

Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2010- 6/2011		2010		2009		2008		2007	
Total International Equity	3.96%		14.15%		36.07%		(44.87%)		14.12%	
MSCI EAFE Index	4.98%		7.75%		31.78%		(43.38%)		11.17%	
Brandes Investment Partners	4.97%	60	5.24%	94	25.82%	86	(38.15%)	19	10.04%	71
MSCI EAFE Index	4.98%	60	7.75%	78	31.78%	55	(43.38%)	55	11.17%	62
CAI Non-U.S. Equity Style	5.29%	50	10.62%	50	32.89%	50	(42.99%)	50	13.16%	50
William Blair & Company	3.12%	85	20.38%	3	44.04%	14	(50.79%)	97	19.68%	18
MSCI ACWI ex-US Index	4.11%	75	11.60%	41	42.14%	18	(45.24%)	68	17.12%	30
CAI Non-U.S. Equity Style	5.29%	50	10.62%	50	32.89%	50	(42.99%)	50	13.16%	50
Dimensional Fund Advisors Inc.	4.37%	72	18.89%	92	40.47%	64	(41.25%)	11	3.68%	70
Blended Benchmark	3.84%	79	19.44%	91	43.20%	57	(48.36%)	53	(0.35%)	85
CAI Int'l Small Cap Style	5.34%	50	23.82%	50	47.99%	50	(48.22%)	50	8.91%	50
Total Fixed Income	4.69%		9.80%		25.47%		(7.58%)		7.74%	
Barclays Capital Aggregate	2.72%		6.54%		5.93%		5.24%		6.97%	
BlackRock Intermediate Agg	2.78%	28	6.35%	58	6.66%	85	4.98%	46	7.10%	57
Barclays Capital Int Aggregate	2.65%	45	6.15%	67	6.46%	86	4.86%	46	7.02%	58
CAI Intermediate F-I Styl	2.65%	50	6.40%	50	8.44%	50	4.36%	50	7.28%	50
Reams Asset Management	2.93%	92	8.95%	63	30.62%	3	(8.56%)	76	7.47%	15
Barclays Capital Aggregate	2.72%	97	6.54%	100	5.93%	99	5.24%	5	6.97%	23
CAI FI Core Plus Style	3.46%	50	9.13%	50	17.42%	50	(5.12%)	50	5.87%	50
Loomis, Sayles & Company, L.P.	6.35%	1	12.47%	8	34.22%	2	(15.16%)	96	8.31%	8
Barclays Capital Aggregate	2.72%	97	6.54%	100	5.93%	99	5.24%	5	6.97%	23
CAI FI Core Plus Style	3.46%	50	9.13%	50	17.42%	50	(5.12%)	50	5.87%	50
CG WGBI Index	4.01%	68	5.16%	79	2.56%	95	10.89%	9	10.95%	19
CAI Global Fixed-Inc DB	4.60%	50	7.06%	50	10.34%	50	2.12%	50	9.32%	50
Total Private Equity	(1.11%)		-		-		-		-	
Abbott Capital Management	(30.52%)		-		-		-		-	
Mesirow Financial	2.51%		-		-		-		-	
Russell 3000 (On a Qtr Lag) + 3%	20.35%		-		-		-		-	
Total Real Estate	10.23%		1.03%		(38.85%)		(4.75%)		19.96%	
Real Estate	10.23%	20	1.03%	96	(38.85%)	83	(4.75%)	16	19.96%	3
NCREIF Property (1 Quarter in Arrears)	8.14%	66	5.83%	93	(22.11%)	12	5.27%	4	17.31%	12
Open-End Real Estate	8.72%	50	15.09%	50	(28.89%)	50	(10.25%)	50	14.59%	50
Total Fund	5.48%		14.08%		23.72%		(30.68%)		7.45%	
Total Fund Reference Index	5.07%		11.56%		19.10%		(25.43%)		7.66%	

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).
City of Milwaukee Employees' Retirement System

Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods ended June 30, 2011. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2011

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception
Net of Fee Returns					
Total Domestic Equity	(1.06%)	33.84%	3.72%	2.13%	4.37%
Russell 3000 Index	(0.03%)	32.37%	4.00%	3.35%	3.63%
Northern Trust Global	0.11%	30.66%	3.19%	2.84%	8.39%
S&P 500 Index	0.10%	30.69%	3.34%	2.94%	8.45%
BlackRock R1000 Alpha Tilts	1.41%	33.55%	2.11%	1.41%	5.31%
Russell 1000 Index	0.12%	31.93%	3.68%	3.30%	5.87%
Turner Investment Partners	(1.06%)	34.56%	1.08%	1.00%	5.81%
Russell 1000 Growth Index	0.76%	35.01%	5.01%	5.33%	8.23%
AllianceBernstein L.P.	(1.70%)	26.97%	(1.42%)	(2.22%)	5.44%
Blended Benchmark	(0.50%)	28.94%	2.28%	1.15%	6.36%
Ernest Partners LLC	(0.51%)	37.04%	5.58%	5.56%	6.53%
Russell MidCap Index	0.42%	38.47%	6.46%	5.30%	6.65%
Dimensional Fund Advisors Inc.	(3.53%)	40.13%	10.95%	3.47%	11.62%
Russell 2000 Value Index	(2.65%)	31.35%	7.09%	2.24%	8.97%
Allianz Global Investors Capital	(3.12%)	34.22%	-	-	15.51%
Russell 2000 Growth Index	(0.59%)	43.50%	8.35%	5.79%	23.55%
Total Global Equity	(1.01%)	29.18%	-	-	8.92%
MSCI The World Index	0.47%	30.51%	0.47%	2.28%	11.04%
Grantham Mayo Van Otterloo	(0.33%)	30.47%	-	-	10.29%
MSCI The World Index	0.47%	30.51%	0.47%	2.28%	11.04%
T. Rowe Price	(1.70%)	28.25%	-	-	28.25%
MSCI AC World	0.25%	30.14%	0.92%	3.16%	30.14%
Total International Equity	1.30%	28.21%	(0.30%)	3.02%	7.31%
MSCI EAFE Index	1.56%	30.36%	(1.77%)	1.48%	4.73%
Brandes Investment Partners	0.80%	24.34%	(1.04%)	1.20%	7.83%
MSCI EAFE Index	1.56%	30.36%	(1.77%)	1.48%	4.03%
William Blair & Company	2.53%	29.33%	(1.01%)	3.76%	8.31%
MSCI ACWI ex-US Index	0.61%	30.27%	0.11%	4.14%	9.04%
Dimensional Fund Advisors Inc.	(1.48%)	34.82%	3.04%	3.81%	2.17%
Blended Benchmark	0.85%	35.24%	1.34%	0.37%	(1.29%)
Total Fixed Income	2.83%	9.17%	9.82%	8.67%	8.12%
Barclays Capital Aggregate	2.29%	3.90%	6.46%	6.52%	6.66%
BlackRock Intermediate Agg	2.19%	4.19%	6.42%	6.51%	6.05%
Barclays Capital Int Aggregate	2.17%	3.99%	6.27%	6.39%	5.98%
Reams Asset Management	2.04%	4.85%	9.78%	8.40%	6.47%
Loomis, Sayles & Company, L.P.	3.33%	14.40%	10.86%	9.48%	9.64%
Barclays Capital Aggregate	2.29%	3.90%	6.46%	6.52%	6.66%
Wellington Management Company	3.61%	-	-	-	4.78%
CG WGBI Index	3.33%	10.54%	5.80%	7.35%	4.02%
Total Private Equity	0.37%	3.27%	-	-	3.27%
Abbott Capital Management	(21.21%)	(68.78%)	-	-	(68.78%)
Mesirow Financial	2.51%	11.68%	-	-	11.68%
Russell 3000 (On a Qtr Lag) + 3%	7.13%	20.85%	-	-	20.85%
Total Real Estate	3.76%	17.10%	(14.80%)	(4.33%)	3.90%
Real Estate	3.76%	17.10%	(14.80%)	(4.33%)	3.90%
NCREIF Property(1Quarter in Arrears)	3.36%	16.03%	(3.63%)	3.46%	7.12%
Total Fund	0.84%	23.62%	3.49%	3.94%	9.07%
Total Fund Reference Index	1.26%	21.95%	3.73%	4.35%	-

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).
City of Milwaukee Employees' Retirement System

Investment Manager Returns

The table below details the rates of return for the Sponsor's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2010- 6/2011	2010	2009	2008	2007
Net of Fee Returns					
Total Domestic Equity	6.32%	18.74%	31.29%	(41.06%)	2.57%
Russell 3000 Index	6.35%	16.93%	28.34%	(37.31%)	5.14%
Northern Trust Global	6.08%	15.11%	27.07%	(37.65%)	5.43%
S&P 500 Index	6.02%	15.06%	26.47%	(37.00%)	5.49%
BlackRock R1000 Alpha Tilts	7.74%	12.33%	26.52%	(37.04%)	(0.14%)
Russell 1000 Index	6.37%	16.10%	28.43%	(37.60%)	5.77%
Turner Investment Partners	5.82%	18.78%	34.75%	(50.42%)	17.45%
Russell 1000 Growth Index	6.83%	16.71%	37.21%	(38.44%)	11.81%
AllianceBernstein L.P.	4.77%	12.42%	26.68%	(47.12%)	(1.97%)
Blended Benchmark	5.92%	15.51%	19.69%	(36.85%)	(0.17%)
Ernest Partners LLC	8.06%	26.46%	41.50%	(40.92%)	8.17%
Russell MidCap Index	8.08%	25.48%	40.48%	(41.46%)	5.60%
Dimensional Fund Advisors Inc.	4.78%	34.00%	36.29%	(37.56%)	(10.33%)
Russell 2000 Value Index	3.77%	24.50%	20.58%	(28.92%)	(9.78%)
Allianz Global Investors Capital	10.05%	-	-	-	-
Russell 2000 Growth Index	8.59%	29.09%	34.47%	(38.54%)	7.05%
Total Global Equity	4.33%	-	-	-	-
MSCI The World Index	5.29%	11.76%	29.99%	(40.71%)	9.04%
Grantham Mayo Van Otterloo	5.95%	-	-	-	-
MSCI The World Index	5.29%	11.76%	29.99%	(40.71%)	9.04%
T. Rowe Price	2.70%	-	-	-	-
MSCI AC World	4.68%	12.67%	34.63%	(42.20%)	11.66%
Total International Equity	3.73%	13.67%	35.59%	(45.35%)	13.64%
MSCI EAFE Index	4.98%	7.75%	31.78%	(43.38%)	11.17%
Brandes Investment Partners	4.75%	4.34%	24.80%	(38.88%)	9.15%
MSCI EAFE Index	4.98%	7.75%	31.78%	(43.38%)	11.17%
William Blair & Company	3.00%	19.90%	43.39%	(51.01%)	19.21%
MSCI ACWI ex-US Index	4.11%	11.60%	42.14%	(45.24%)	17.12%
Dimensional Fund Advisors Inc.	4.02%	18.10%	39.52%	(41.68%)	2.96%
Blended Benchmark	3.84%	19.44%	43.20%	(48.36%)	(0.35%)
Total Fixed Income	4.61%	9.65%	25.35%	(7.70%)	7.62%
Barclays Capital Aggregate	2.72%	6.54%	5.93%	5.24%	6.97%
BlackRock Intermediate Agg	2.77%	6.30%	6.63%	4.93%	7.07%
Barclays Capital Int Aggregate	2.65%	6.15%	6.46%	4.86%	7.02%
Reams Asset Management	2.86%	8.63%	30.28%	(8.83%)	7.18%
Loomis, Sayles & Company, L.P.	6.32%	12.23%	33.95%	(15.37%)	8.17%
Barclays Capital Aggregate	2.72%	6.54%	5.93%	5.24%	6.97%
Total Private Equity	(1.11%)	-	-	-	-
Abbott Capital Management	(30.52%)	-	-	-	-
Mesirow Financial	2.51%	-	-	-	-
Russell 3000 (On a Qtr Lag) + 3%	20.35%	-	-	-	-
Total Real Estate	10.15%	(0.12%)	(39.23%)	(5.95%)	17.85%
Real Estate	10.15%	(0.12%)	(39.23%)	(5.95%)	17.85%
NCREIF Property(1Quarter in Arrears)	8.14%	5.83%	(22.11%)	5.27%	17.31%
Total Fund	5.30%	13.72%	23.36%	(31.04%)	7.09%
Total Fund Reference Index	5.07%	11.56%	19.10%	(25.43%)	7.66%

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).
City of Milwaukee Employees' Retirement System

CLIENT: City of Milwaukee Employees' Retirement System		PLAN:
ORGID: 10556	PLAN NUM: 1	REPORT DATE: Jun 30, 2011

CONSULTANT	OFFICE	MAILING DUE DATE
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Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods ended June 30, 2011. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns and Rankings for Periods Ended June 30, 2011

	Last 22-1/2 Years		Last 22-3/4 Years		Last 23 Years		Last 23-1/4 Years		Last 23-1/2 Years	
Russell 3000 Index	9.70%		9.69%		9.60%		9.79%		10.03%	
Northern Trust Global	9.54%	89	9.57%	89	-		-		-	
S&P 500 Index	9.55%	89	9.58%	89	9.49%	88	9.69%	87	9.84%	88
CAI Large Cap Core Style	10.67%	50	10.64%	50	10.54%	50	10.75%	50	11.00%	50
Russell 1000 Index	9.75%	86	9.75%	86	9.67%	86	9.86%	85	10.05%	84
CAI Large Cap Core Style	10.67%	50	10.64%	50	10.54%	50	10.75%	50	11.00%	50
Russell 1000 Growth Index	9.15%	94	9.18%	93	9.06%	93	9.20%	92	9.24%	92
CAI Lrg Cap Growth Style	10.85%	50	10.85%	50	10.63%	50	10.81%	50	10.85%	50
CAI Large Cap Value Style	10.30%	50	10.31%	50	10.25%	50	10.42%	50	10.83%	50
Russell MidCap Index	11.76%	85	11.64%	84	11.47%	84	11.67%	83	12.09%	83
CAI Mid Cap Style	12.88%	50	12.74%	50	12.42%	50	12.61%	50	13.15%	50
Russell 2000 Value Index	10.97%	92	10.82%	91	10.74%	97	10.93%	97	11.70%	95
CAI Small Cap Value Style	13.80%	50	13.42%	50	13.64%	50	13.87%	50	14.60%	50
Russell 2000 Growth Index	7.61%	99	7.48%	99	7.27%	100	7.47%	99	8.12%	99
MSCI The World Index	6.30%	100	6.73%	100	6.66%	100	6.54%	99	6.97%	100
CAI Sm Cap Growth Style	12.97%	50	12.87%	50	12.42%	50	12.43%	50	13.00%	50
MSCI The World Index	6.30%	93	6.73%	91	6.66%	92	6.54%	92	6.97%	92
CAI Global Eq Broad Style	8.90%	50	9.16%	50	9.14%	50	9.25%	50	9.69%	50
CAI Global Eq Broad Style	8.90%	50	9.16%	50	9.14%	50	9.25%	50	9.69%	50

Investment Manager Returns and Peer Group Rankings

The table below details the rates of return and peer group rankings for the Sponsor's investment managers over various time periods ended June 30, 2011. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns and Rankings for Periods Ended June 30, 2011

	Last 28-1/2 Years		Last 29-1/2 Years		Last 30-1/2 Years		Last 31-1/2 Years		Since Inception	
Total International Equity	-		-		-		-		7.79%	
MSCI EAFE Index	10.11%		9.68%		9.27%		9.67%		4.73%	
Brandes Investment Partners	-		-		-		-		8.75% 7	
MSCI EAFE Index	10.11%		9.68%		9.27%		9.67%		4.03% 94	
CAI Non-U.S. Equity Style	11.93%		11.63%		11.70%		11.88%		5.91% 50	
William Blair & Company	-		-		-		-		8.77% 29	
MSCI ACWI ex-US Index	-		-		-		-		9.04% 24	
CAI Non-U.S. Equity Style	11.93%		11.63%		11.70%		11.88%		8.04% 50	
Dimensional Fund Advisors Inc.	-		-		-		-		2.89% 1	
Blended Benchmark	-		-		-		-		(1.29%) 100	
CAI Int'l Small Cap Style	-		-		-		-		-	
Total Fixed Income	-		-		-		-		8.80%	
Barclays Capital Aggregate	8.20%		8.95%		8.86%		8.66%		7.31%	
BlackRock Intermediate Agg	-		-		-		-		6.09% 1	
Barclays Capital Int Aggregate	7.88%		8.53%		8.55%		8.45%		5.98% 1	
CAI Intermediate F-I Styl	7.92%		8.41%		8.62%		8.76%		0.00% 50	
Reams Asset Management	-		-		-		-		6.76% 1	
Barclays Capital Aggregate	8.20%		8.95%		8.86%		8.66%		5.70% 1	
CAI FI Core Plus Style	9.55%		10.33%		10.16%		9.78%		0.00% 50	
Loomis, Sayles & Company, L.P.	-		-		-		-		10.19% 1	
Barclays Capital Aggregate	8.20%		8.95%		8.86%		8.66%		7.31% 91	
CAI FI Core Plus Style	9.55%		10.33%		10.16%		9.78%		8.21% 50	
Wellington Management Company	-		-		-		-		4.89% 1	
CG WGBI Index	-		-		-		-		4.02% 1	
CAI Global Fixed-Inc DB	9.73%		10.05%		9.93%		-		11.53% 50	
Total Private Equity	-		-		-		-		3.27%	
Abbott Capital Management	-		-		-		-		(68.78%)	
Mesirow Financial	-		-		-		-		11.68%	
Russell 3000 (On a Qtr Lag) + 3%	-		-		-		-		20.85%	
Total Real Estate	-		-		-		-		5.27%	
Real Estate	-		-		-		-		5.27% 71	
NCREIF Property (1 Quarter in Arrears)	-		-		-		-		7.12% 20	
Open-End Real Estate	6.24%		6.50%		-		-		-	
Total Fund	9.79%		10.44%		10.12%		10.11%		9.89%	

* Current Quarter Target = 33.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index and 7.0% NCREIF Property (1 Qtr in Arrears).
City of Milwaukee Employees' Retirement System