


March 31, 2012



City of Milwaukee Employees' Retirement System

Investment Measurement Service
Quarterly Review

Table of Contents

March 31, 2012

Capital Markets Review	1
<hr/>	
Total Fund	
Investment Manager Asset Allocation	24
Actual vs. Target Asset Allocation	25
Total Fund vs. Total Public Fund Database	27
Quarterly Total Fund Attribution	30
Investment Manager Returns - Gross of Fee	31
Investment Manager Returns - Gross of Fee	32
Investment Manager Returns - Gross of Fee	33
Investment Manager Returns - Gross of Fee	34
Investment Manager Returns - Net of Fee	35
Investment Manager Returns - Net of Fee	36
<hr/>	
Callan Research/ Education	37
<hr/>	
Disclosures	42

Total Fund

Investment Manager Asset Allocation

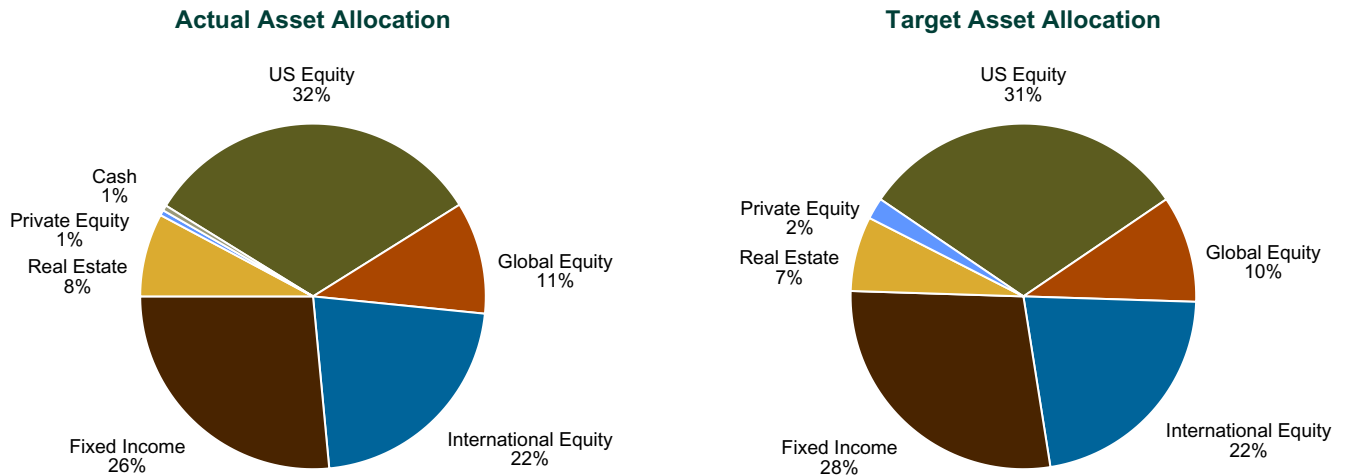
The table below contrasts the distribution of assets across the Fund's investment managers as of March 31, 2012, with the distribution as of December 31, 2011.

Asset Distribution Across Investment Managers

	March 31, 2012		December 31, 2011	
	Market Value	Percent	Market Value	Percent
Total Domestic Equity	\$1,379,123,479	32.27%	\$1,256,985,388	31.61%
Northern Trust Global	785,985,130	18.39%	721,934,561	18.15%
BlackRock R1000 Alpha Tilts	184,790,658	4.32%	163,042,707	4.10%
Turner Investment Partners	-	-	175,150	0.00%
AllianceBernstein L.P.	-	-	140,362	0.00%
Earnest Partners LLC	134,185,419	3.14%	123,011,697	3.09%
Dimensional Fund Advisors Inc.	176,440,793	4.13%	164,331,184	4.13%
Allianz Global Investors Capital	97,721,479	2.29%	84,349,726	2.12%
Total Global Equity	\$450,184,207	10.53%	\$403,425,026	10.14%
Grantham Mayo Van Otterloo	224,040,979	5.24%	206,581,276	5.19%
T. Rowe Price	226,143,227	5.29%	196,843,750	4.95%
Total International Equity	\$937,232,988	21.93%	\$828,147,663	20.83%
Brandes Investment Partners	369,575,793	8.65%	334,533,908	8.41%
William Blair & Company	448,312,511	10.49%	391,361,341	9.84%
Dimensional Fund Advisors Inc.	119,344,683	2.79%	102,252,413	2.57%
Total Fixed Income	\$1,131,438,361	26.47%	\$1,111,432,595	27.95%
BlackRock Intermediate Agg	240,697,846	5.63%	239,048,287	6.01%
Reams Asset Management	252,519,771	5.91%	246,183,193	6.19%
Loomis, Sayles & Company, L.P.	424,812,671	9.94%	407,015,211	10.24%
Wellington Management Company	213,408,073	4.99%	219,185,904	5.51%
Total Private Equity	\$21,682,527	0.51%	\$16,557,527	0.42%
Abbott Capital Management 2010	3,465,026	0.08%	2,240,026	0.06%
Abbott Capital Management 2011	2,345,386	0.05%	695,386	0.02%
Mesirow Financial	15,872,115	0.37%	13,622,115	0.34%
Total Real Estate	\$331,717,671	7.76%	\$329,119,738	8.28%
Real Estate	331,717,671	7.76%	329,119,738	8.28%
Total Cash	\$22,524,299	0.53%	\$31,018,360	0.78%
Cash	22,524,299	0.53%	31,018,360	0.78%
Total Fund	\$4,273,903,532	100.0%	\$3,976,686,297	100.0%

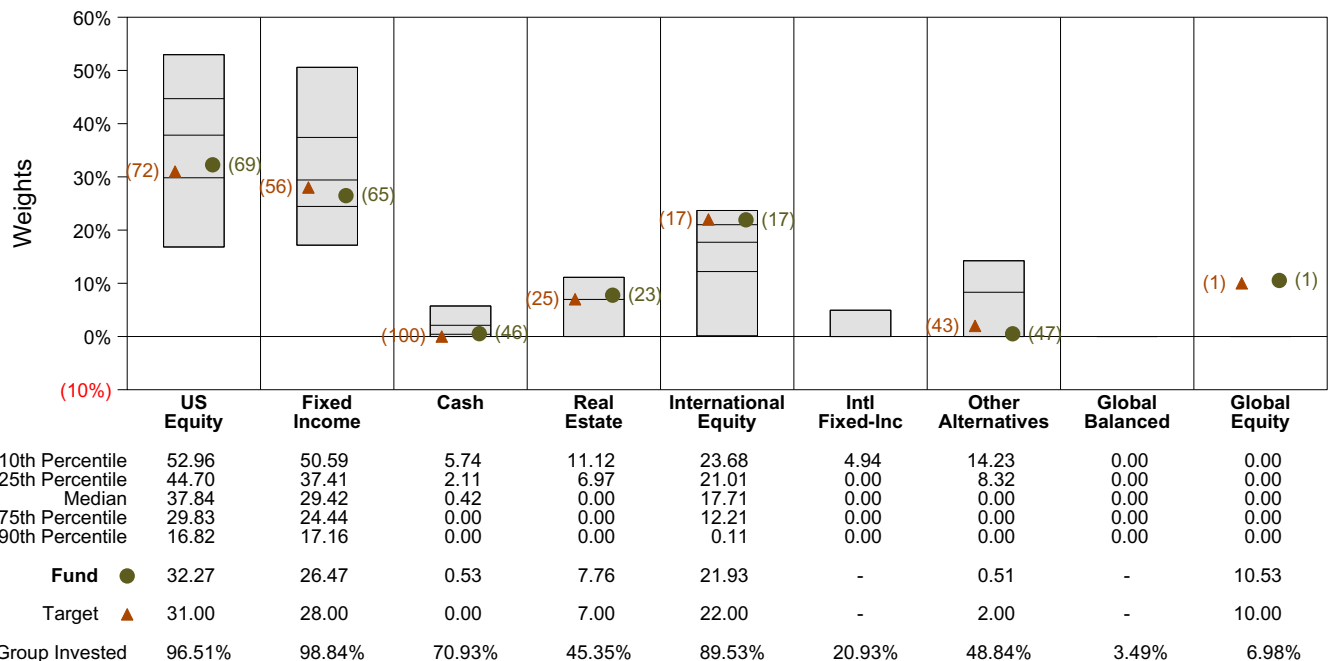
Actual vs Target Asset Allocation

The top left chart shows the Fund's asset allocation as of March 31, 2012. 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.



Asset Class	\$000s Actual	Percent Actual	Percent Target	Percent Difference	\$000s Difference
US Equity	1,379,123	32.3%	31.0%	1.3%	54,213
Global Equity	450,184	10.5%	10.0%	0.5%	22,794
International Equity	937,233	21.9%	22.0%	(0.1%)	(3,026)
Fixed Income	1,131,438	26.5%	28.0%	(1.5%)	(65,255)
Real Estate	331,718	7.8%	7.0%	0.8%	32,544
Private Equity	21,683	0.5%	2.0%	(1.5%)	(63,796)
Cash	22,524	0.5%	0.0%	0.5%	22,524
Total	4,273,904	100.0%	100.0%		

Asset Class Weights vs CAI Public Fund Sponsor Database

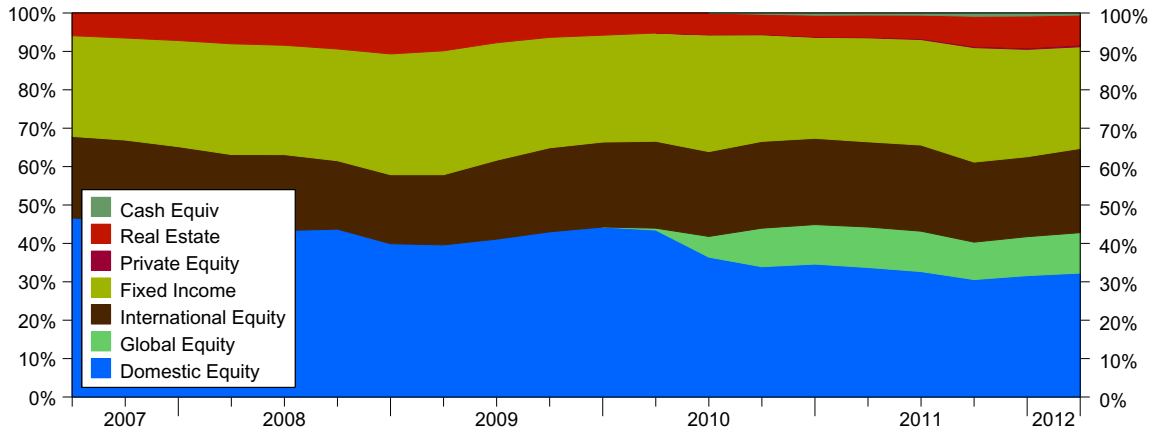


* Current Quarter Target = 31.0% Russell 3000 Index, 28.0% BC Aggregate Index, 22.0% MSCI EAFE Index, 10.0% MSCI World Index, 7.0% NCREIF Property (1 Qtr in Arrears) and 2.0% Russell 3000 (On a Qtr Lag) + 3%.

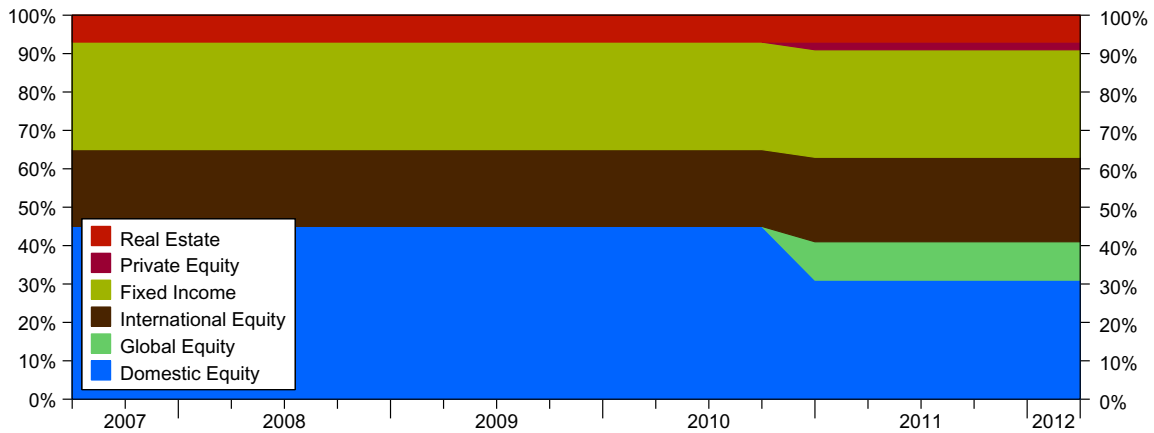
Actual vs Target Historical Asset Allocation

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.

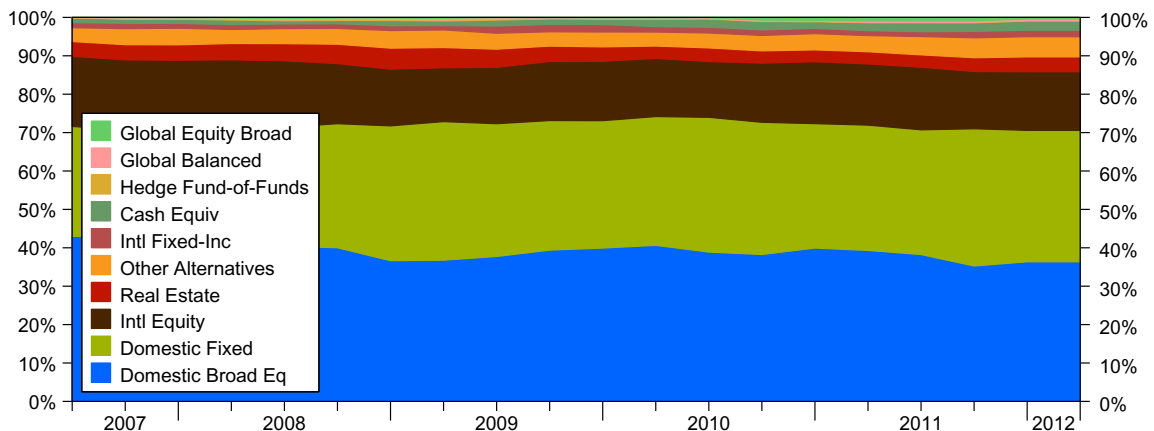
Actual Historical Asset Allocation



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 March 31, 2012

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).

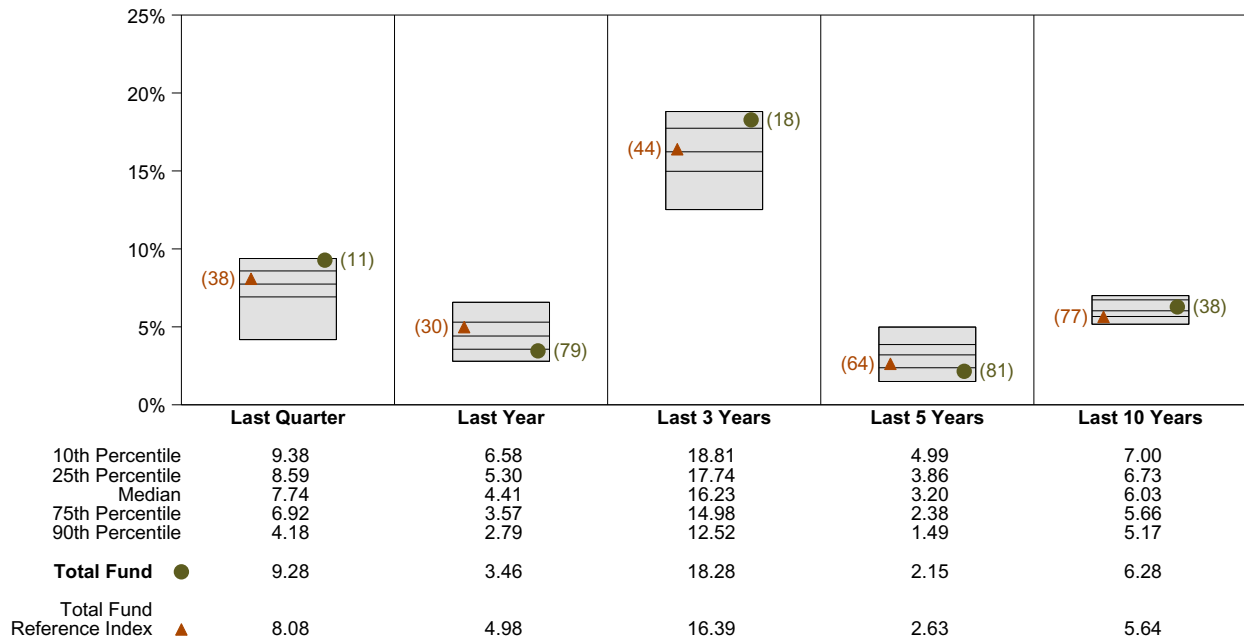
Quarterly Summary and Highlights

- Total Fund's portfolio posted a 9.28% return for the quarter placing it in the 11 percentile of the CAI Public Fund Sponsor Database group for the quarter and in the 79 percentile for the last year.
- Total Fund's portfolio outperformed the Total Fund Reference Index by 1.19% for the quarter and underperformed the Total Fund Reference Index for the year by 1.52%.

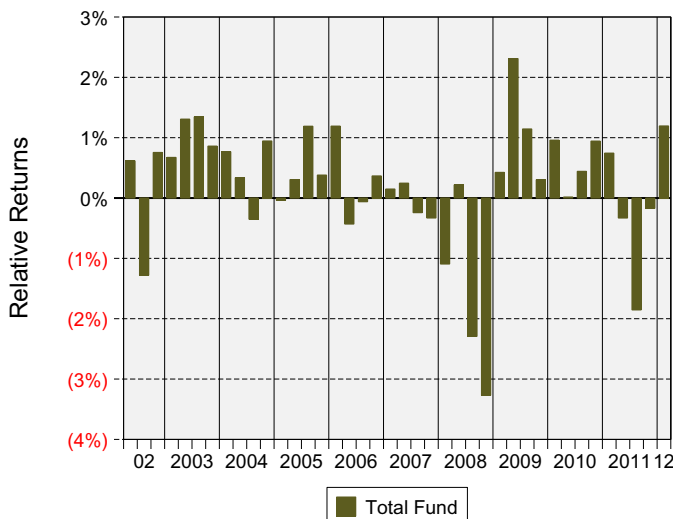
Quarterly Asset Growth

Beginning Market Value	\$3,976,686,297
Net New Investment	\$-71,082,482
Investment Gains/(Losses)	\$368,299,716
Ending Market Value	\$4,273,903,532

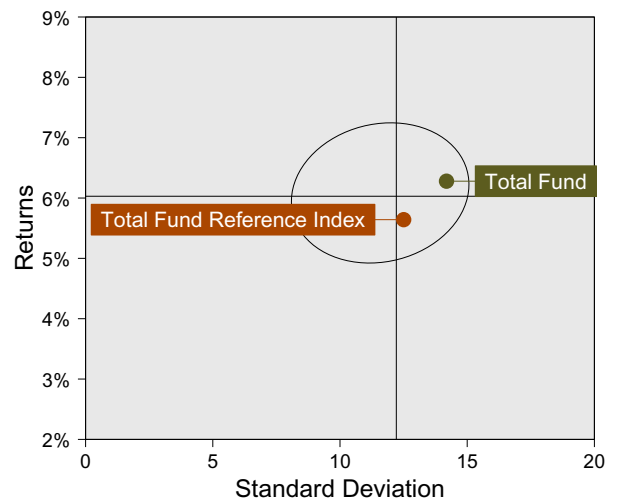
Performance vs CAI Public Fund Sponsor Database (Gross)



Relative Return vs Total Fund Reference Index



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

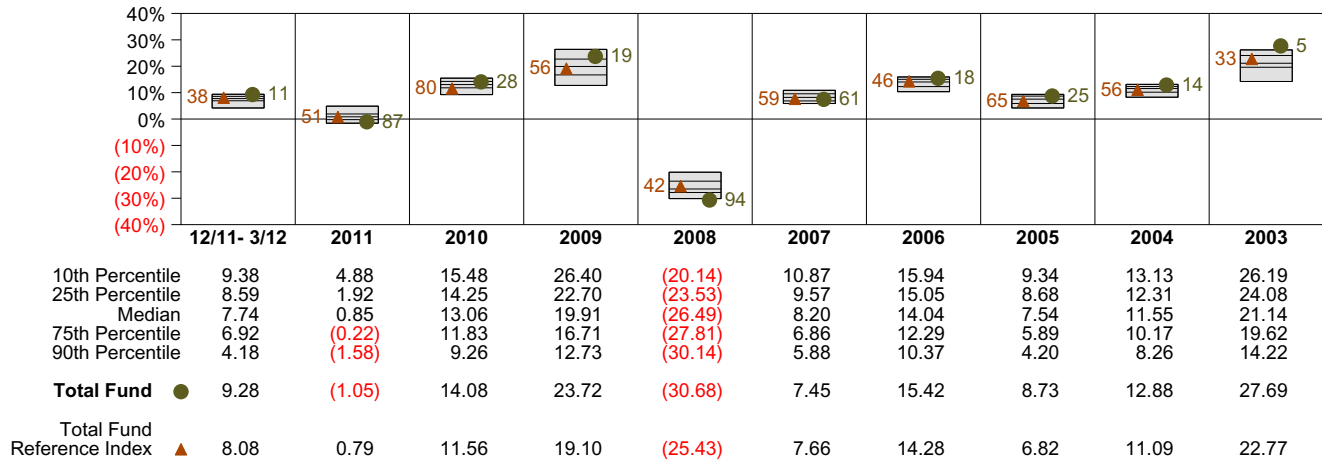


Total Fund Return Analysis Summary

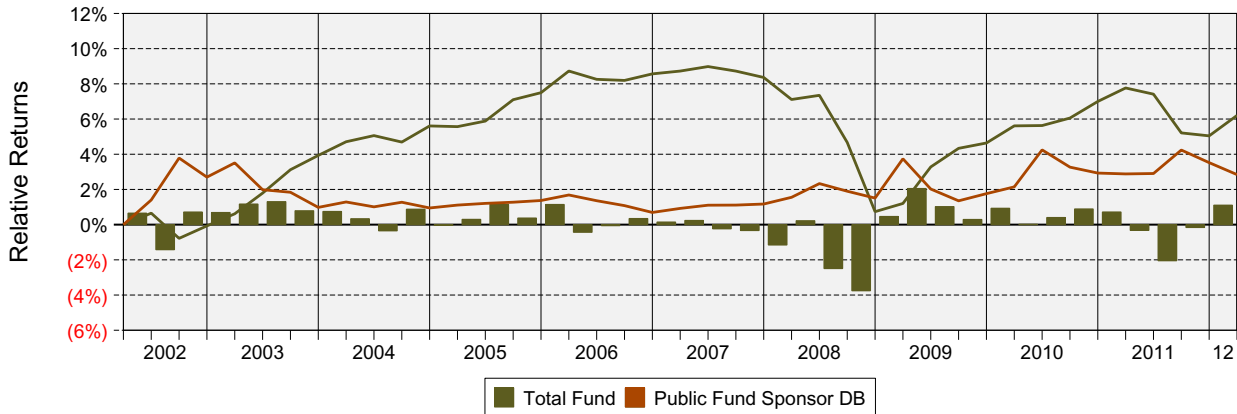
Return Analysis

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.

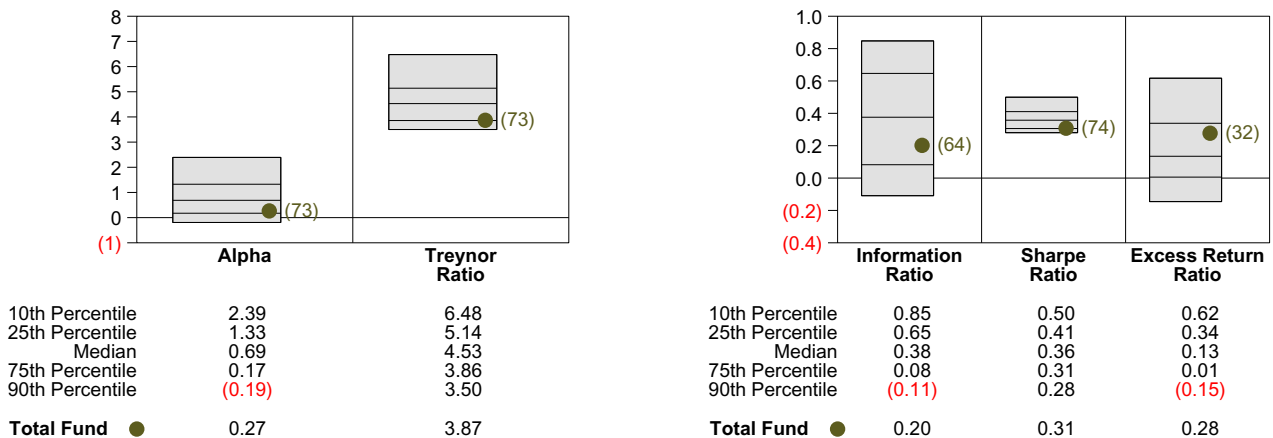
Performance vs CAI Public Fund Sponsor Database (Gross)



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 March 31, 2012



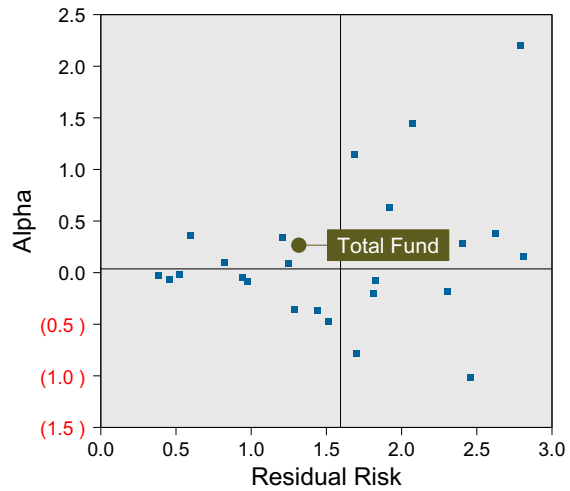
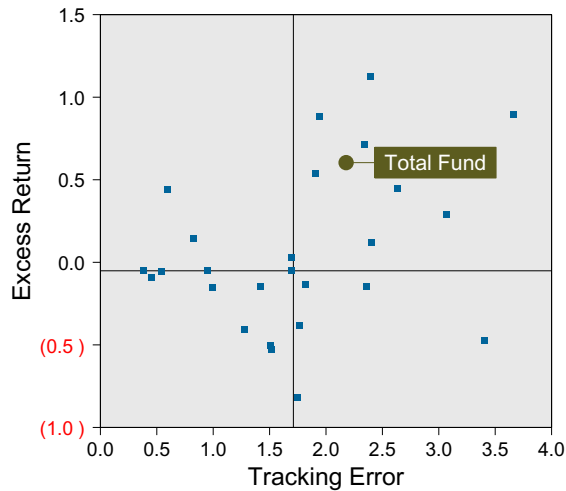
Total Fund

Total Fund vs Target Risk Analysis

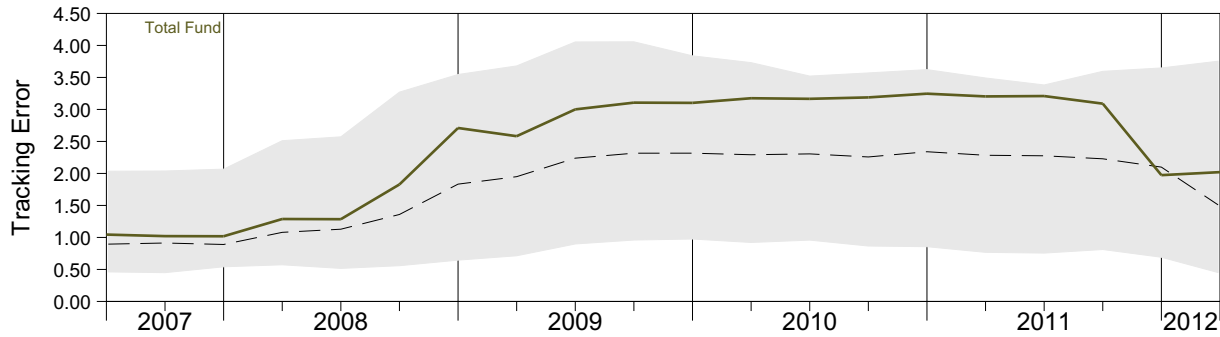
Risk Analysis

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.

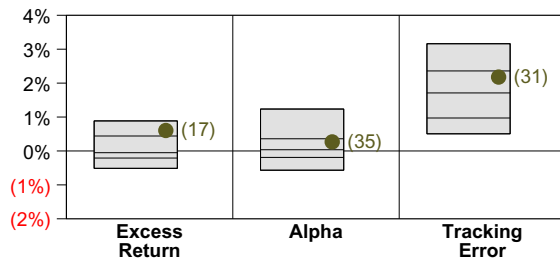
Risk Analysis vs CAI Public Fund Sponsor Database Ten Years Ended March 31, 2012



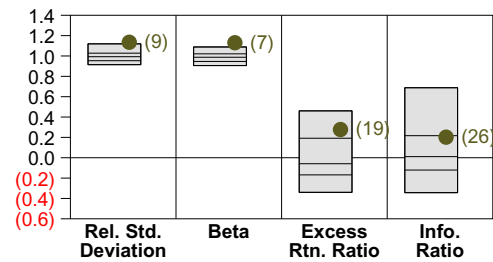
Rolling 12 Quarter Tracking Error vs Targets Compared to CAI Public Fund Sponsor Database



Risk Statistics Rankings vs Targets Rankings Against CAI Public Fund Sponsor Database Ten Years Ended March 31, 2012



	Excess Return	Alpha	Tracking Error
10th Percentile	0.89	1.24	3.16
25th Percentile	0.44	0.36	2.36
Median	(0.05)	0.04	1.71
75th Percentile	(0.21)	(0.19)	0.97
90th Percentile	(0.51)	(0.57)	0.51
Total Fund	0.60	0.27	2.18

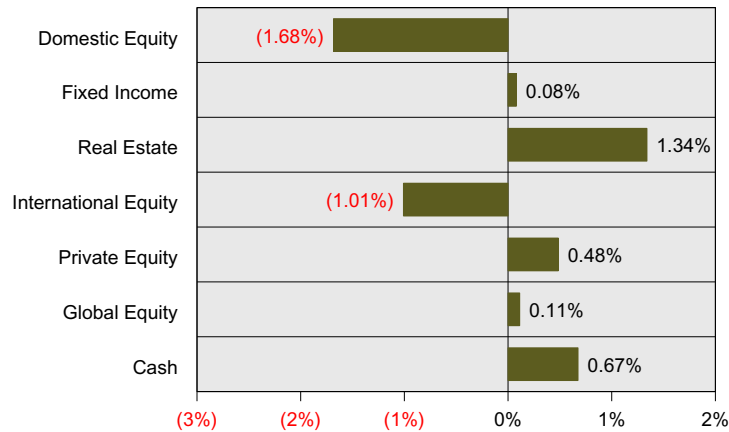


	Rel. Std. Deviation	Beta	Excess Rtn. Ratio	Info. Ratio
10th Percentile	1.12	1.09	0.46	0.69
25th Percentile	1.03	1.02	0.19	0.22
Median	0.99	0.99	(0.06)	0.01
75th Percentile	0.95	0.95	(0.17)	(0.12)
90th Percentile	0.91	0.91	(0.34)	(0.34)
Total Fund	1.13	1.13	0.28	0.20

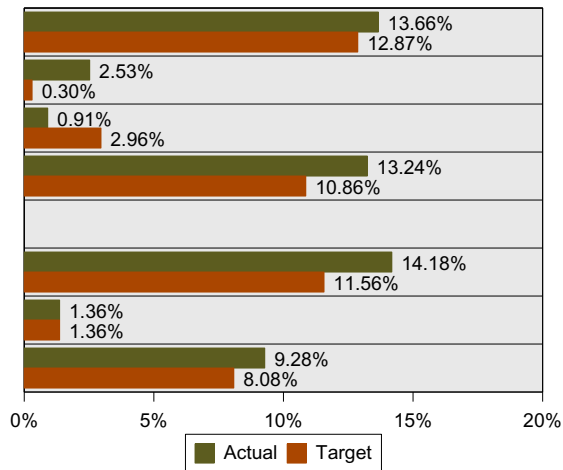
Quarterly Total Fund Relative Attribution - March 31, 2012

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.

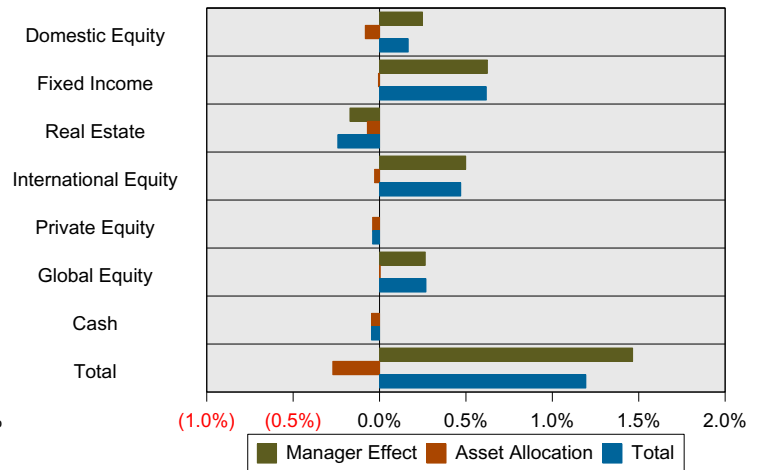
Asset Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Asset Class



Relative Attribution Effects for Quarter ended March 31, 2012

Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	31%	33%	13.66%	12.87%	0.25%	(0.08%)	0.17%
Fixed Income	28%	28%	2.53%	0.30%	0.62%	(0.01%)	0.62%
Real Estate	8%	7%	0.91%	2.96%	(0.17%)	(0.07%)	(0.24%)
International Equity	21%	22%	13.24%	10.86%	0.50%	(0.03%)	0.47%
Private Equity	0%	0%	0.00%	0.00%	0.00%	(0.04%)	(0.04%)
Global Equity	10%	10%	14.18%	11.56%	0.26%	0.00%	0.27%
Cash	1%	0%	1.36%	1.36%	0.00%	(0.05%)	(0.05%)
Total			9.28%	8.08%	+ 1.46%	+ (0.27%)	1.19%

* 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 March 31, 2012. 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 March 31, 2012

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception	
Total Domestic Equity	13.66%		3.08%		24.67%		0.94%		4.74%	
Russell 3000 Index	12.87%		7.18%		24.26%		2.18%		3.95%	
Northern Trust Global	12.59%	75	8.60%	45	23.71%	30	1.95%	72	9.63%	88
S&P 500 Index	12.59%	75	8.54%	45	23.42%	39	2.01%	70	9.64%	88
CAI Large Cap Core Style	13.49%	50	8.14%	50	23.05%	50	2.44%	50	10.65%	50
BlackRock R1000 Alpha Tilts	16.53%	2	14.47%	2	24.99%	10	1.66%	80	6.39%	48
Russell 1000 Index	12.90%	68	7.86%	56	24.03%	28	2.19%	63	6.21%	56
CAI Large Cap Core Style	13.49%	50	8.14%	50	23.05%	50	2.44%	50	6.38%	50
Ernest Partners LLC	13.15%	60	3.73%	43	29.55%	24	5.74%	31	7.35%	45
Russell MidCap Index	12.94%	65	3.31%	46	29.13%	30	3.03%	68	6.34%	67
CAI Mid Cap Style	13.62%	50	3.07%	50	27.57%	50	4.42%	50	7.03%	50
Dimensional Fund Advisors Inc.	13.47%	37	(2.64%)	84	33.56%	23	1.37%	77	11.71%	23
Russell 2000 Value Index	11.59%	72	(1.07%)	72	25.36%	88	0.01%	88	8.62%	96
CAI Small Cap Value Style	12.99%	50	1.63%	50	29.59%	50	3.02%	50	11.27%	50
Allianz Global Investors Capital	18.21%	8	(6.79%)	90	-	-	-	-	7.94%	92
Russell 2000 Growth Index	13.28%	72	0.68%	59	28.36%	62	4.15%	56	14.86%	60
CAI Sm Cap Growth Style	14.52%	50	2.48%	50	29.01%	50	4.69%	50	16.07%	50
Total Global Equity	14.18%		(1.47%)		-		-		5.58%	
MSCI The World Index	11.56%		0.56%		20.24%		(0.70%)		6.81%	
Grantham Mayo Van Otterloo	11.02%	84	(3.53%)	78	-	-	-	-	4.84%	80
MSCI The World Index	11.56%	68	0.56%	44	20.24%	52	(0.70%)	67	6.81%	58
CAI Global Eq Broad Style	12.83%	50	0.03%	50	20.30%	50	0.09%	50	7.32%	50
T. Rowe Price	17.48%	5	0.64%	44	-	-	-	-	17.21%	45
MSCI AC World	11.88%	64	(0.73%)	64	20.75%	47	(0.19%)	52	15.59%	63
CAI Global Eq Broad Style	12.83%	50	0.03%	50	20.30%	50	0.09%	50	16.81%	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 March 31, 2012. 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 March 31, 2012

	Last Quarter		Last Year		Last 3 Years		Last 5 Years		Since Inception	
Total International Equity	13.24%		(2.62%)		20.53%		(1.43%)		7.13%	
MSCI EAFE Index	10.86%		(5.77%)		17.13%		(3.51%)		4.00%	
Brandes Investment Partners	10.47%	78	(4.57%)	49	15.68%	84	(3.14%)	74	7.84%	9
MSCI EAFE Index	10.86%	69	(5.77%)	68	17.13%	68	(3.51%)	78	3.26%	95
CAI Non-U.S. Equity Style	11.69%	50	(4.64%)	50	18.34%	50	(1.76%)	50	5.37%	50
William Blair & Company	14.63%	12	0.65%	13	23.98%	7	(0.11%)	29	7.69%	25
MSCI ACWI ex-US Index	11.34%	56	(6.75%)	76	19.65%	34	(1.11%)	41	7.20%	33
CAI Non-U.S. Equity Style	11.69%	50	(4.64%)	50	18.34%	50	(1.76%)	50	6.31%	50
Dimensional Fund Advisors Inc.	16.92%	20	(8.11%)	86	23.11%	78	(1.98%)	61	1.29%	1
Blended Benchmark	14.86%	63	(6.23%)	70	22.53%	81	(4.44%)	93	(2.33%)	100
CAI Int'l Small Cap Style	15.66%	50	(3.79%)	50	25.91%	50	(0.25%)	50	-	
Total Fixed Income	2.53%		8.17%		14.93%		8.21%		8.75%	
Barclays Capital Aggregate	0.30%		7.71%		6.83%		6.25%		7.30%	
BlackRock Intermediate Agg	0.69%	80	6.24%	61	6.27%	76	6.05%	74	6.05%	1
Barclays Capital Int Aggregate	0.66%	82	6.16%	66	6.10%	78	5.90%	81	5.94%	1
CAI Intermediate F-I Styl	1.17%	50	6.44%	50	7.02%	50	6.35%	50	0.00%	50
Reams Asset Management	2.57%	30	9.42%	5	17.46%	4	8.71%	13	6.96%	1
Barclays Capital Aggregate	0.30%	99	7.71%	68	6.83%	99	6.25%	67	5.80%	1
CAI FI Core Plus Style	2.12%	50	8.08%	50	11.92%	50	6.91%	50	0.00%	50
Loomis, Sayles & Company, L.P.	5.12%	1	9.25%	6	18.90%	2	8.87%	10	10.11%	1
Barclays Capital Aggregate	0.30%	99	7.71%	68	6.83%	99	6.25%	67	7.30%	93
CAI FI Core Plus Style	2.12%	50	8.08%	50	11.92%	50	6.91%	50	8.21%	50
Wellington Management Company	(0.38%)	93	6.75%	38	-	-	-	-	6.82%	1
CG WGBI Index	(0.51%)	94	5.12%	70	6.23%	93	6.78%	66	4.98%	1
CAI Global Fixed-Inc DB	1.76%	50	5.95%	50	9.49%	50	7.24%	50	8.03%	50
Total Private Equity	0.00%		(1.76%)		-		-		0.62%	
Abbott Capital Management 2010	0.00%		(30.73%)		-		-		(52.24%)	
Abbott Capital Management 2011	0.00%		-		-		-		(56.85%)	
Mesirow Financial	0.00%		5.05%		-		-		8.02%	
Total Real Estate	0.91%		12.59%		(4.13%)		(4.36%)		5.44%	
Real Estate	0.91%	61	12.59%	54	(4.13%)	81	(4.36%)	91	5.44%	
NCREIF Property (1 Quarter in Arrears)	2.96%	28	14.26%	45	2.43%	51	3.09%	5	7.33%	
Open-End Real Estate	2.17%	50	13.95%	50	2.55%	50	(0.65%)	50	-	
Total Fund	9.28%		3.46%		18.28%		2.15%		9.73%	
Total Fund Reference Index	8.08%		4.98%		16.39%		2.63%		-	

* 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. 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.

	12/2011- 3/2012		2011		2010		2009		2008	
Total Domestic Equity	13.66%		(2.48%)		19.06%		31.61%		(40.74%)	
Russell 3000 Index	12.87%		1.03%		16.93%		28.34%		(37.31%)	
Northern Trust Global	12.59%	75	2.20%	37	15.16%	42	27.12%	49	(37.62%)	72
S&P 500 Index	12.59%	75	2.11%	38	15.06%	43	26.47%	50	(37.00%)	65
CAI Large Cap Core Style	13.49%	50	1.46%	50	14.40%	50	26.51%	50	(36.36%)	50
BlackRock R1000 Alpha Tilts	16.53%	2	4.37%	27	12.41%	80	26.59%	50	(36.97%)	65
Russell 1000 Index	12.90%	68	1.50%	49	16.10%	26	28.43%	44	(37.60%)	72
CAI Large Cap Core Style	13.49%	50	1.46%	50	14.40%	50	26.51%	50	(36.36%)	50
Ernest Partners LLC	13.15%	60	(0.31%)	33	27.56%	32	42.81%	29	(40.07%)	45
Russell MidCap Index	12.94%	65	(1.55%)	47	25.48%	51	40.48%	39	(41.46%)	57
CAI Mid Cap Style	13.62%	50	(1.78%)	50	25.49%	50	36.99%	50	(40.57%)	50
Dimensional Fund Advisors Inc.	13.47%	37	(6.75%)	78	34.59%	8	36.77%	35	(37.14%)	75
Russell 2000 Value Index	11.59%	72	(5.50%)	65	24.50%	76	20.58%	78	(28.92%)	18
CAI Small Cap Value Style	12.99%	50	(3.82%)	50	27.38%	50	32.23%	50	(33.01%)	50
Allianz Global Investors Capital	18.21%	8	(10.31%)	90	-	-	-	-	-	-
Russell 2000 Growth Index	13.28%	72	(2.91%)	59	29.09%	44	34.47%	68	(38.54%)	15
CAI Sm Cap Growth Style	14.52%	50	(1.69%)	50	28.81%	50	38.09%	50	(42.68%)	50
Total Global Equity	14.18%		(8.95%)		-		-		-	
MSCI The World Index	11.56%		(5.54%)		11.76%		29.99%		(40.71%)	
Grantham Mayo Van Otterloo	11.02%	84	(7.55%)	53	-	-	-	-	-	-
MSCI The World Index	11.56%	68	(5.54%)	37	11.76%	64	29.99%	66	(40.71%)	36
CAI Global Eq Broad Style	12.83%	50	(6.97%)	50	12.67%	50	32.73%	50	(42.04%)	50
T. Rowe Price	17.48%	5	(10.37%)	77	-	-	-	-	-	-
MSCI AC World	11.88%	64	(7.35%)	52	12.67%	50	34.63%	39	(42.20%)	51
CAI Global Eq Broad Style	12.83%	50	(6.97%)	50	12.67%	50	32.73%	50	(42.04%)	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.

	12/2011- 3/2012		2011		2010		2009		2008	
Total International Equity	13.24%		(11.84%)		14.15%		36.07%		(44.87%)	
MSCI EAFE Index	10.86%		(12.14%)		7.75%		31.78%		(43.38%)	
Brandes Investment Partners	10.47%	78	(10.13%)	31	5.24%	94	25.82%	86	(38.15%)	18
MSCI EAFE Index	10.86%	69	(12.14%)	57	7.75%	78	31.78%	55	(43.38%)	54
CAI Non-U.S. Equity Style	11.69%	50	(11.40%)	50	10.84%	50	32.89%	50	(43.10%)	50
William Blair & Company	14.63%	12	(11.78%)	54	20.38%	3	44.04%	14	(50.79%)	97
MSCI ACWI ex-US Index	11.34%	56	(13.33%)	68	11.60%	42	42.14%	18	(45.24%)	68
CAI Non-U.S. Equity Style	11.69%	50	(11.40%)	50	10.84%	50	32.89%	50	(43.10%)	50
Dimensional Fund Advisors Inc.	16.92%	20	(16.88%)	83	18.89%	92	40.47%	64	(41.25%)	11
Blended Benchmark	14.86%	63	(15.94%)	73	19.44%	91	43.20%	57	(48.36%)	53
CAI Int'l Small Cap Style	15.66%	50	(13.73%)	50	23.82%	50	47.99%	50	(48.22%)	50
Total Fixed Income	2.53%		7.36%		9.80%		25.47%		(7.58%)	
Barclays Capital Aggregate	0.30%		7.84%		6.54%		5.93%		5.24%	
BlackRock Intermediate Agg	0.69%	80	6.11%	32	6.35%	58	6.66%	85	4.98%	46
Barclays Capital Int Aggregate	0.66%	82	5.97%	42	6.15%	67	6.46%	86	4.86%	46
CAI Intermediate F-I Styl	1.17%	50	5.87%	50	6.40%	50	8.44%	50	4.36%	50
Reams Asset Management	2.57%	30	7.57%	52	8.95%	63	30.62%	3	(8.56%)	76
Barclays Capital Aggregate	0.30%	99	7.84%	39	6.54%	100	5.93%	99	5.24%	5
CAI FI Core Plus Style	2.12%	50	7.63%	50	9.13%	50	17.42%	50	(5.12%)	50
Loomis, Sayles & Company, L.P.	5.12%	1	6.95%	71	12.47%	8	34.22%	2	(15.16%)	96
Barclays Capital Aggregate	0.30%	99	7.84%	39	6.54%	100	5.93%	99	5.24%	5
CAI FI Core Plus Style	2.12%	50	7.63%	50	9.13%	50	17.42%	50	(5.12%)	50
Wellington Management Company	(0.38%)	93	-	-	-	-	-	-	-	-
CG WGBI Index	(0.51%)	94	6.35%	39	5.16%	80	2.56%	95	10.89%	9
CAI Global Fixed-Inc DB	1.76%	50	5.49%	50	7.06%	50	10.33%	50	2.13%	50
Total Private Equity	0.00%		(3.21%)		-		-		-	
Abbott Capital Management	0.00%	-	(38.92%)	-	-	-	-	-	-	-
Mesirow Financial	0.00%	-	5.05%	-	-	-	-	-	-	-
Russell 3000 (On a Qtr Lag) + 3%	-	-	3.61%	-	-	-	-	-	-	-
Total Real Estate	0.91%		18.46%		1.03%		(38.85%)		(4.75%)	
Real Estate	0.91%	61	18.46%	12	1.03%	96	(38.85%)	83	(4.75%)	16
NCREIF Property (1 Quarter in Arrears)	2.96%	28	16.10%	32	5.83%	93	(22.11%)	12	5.27%	4
Open-End Real Estate	2.17%	50	15.33%	50	15.09%	50	(28.89%)	50	(10.25%)	50
Total Fund	9.28%		(1.05%)		14.08%		23.72%		(30.68%)	
Total Fund Reference Index	8.08%		0.79%		11.56%		19.10%		(25.43%)	

* 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

The table below details the rates of return for the Sponsor's investment managers over various time periods ended March 31, 2012. 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 March 31, 2012

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Since Inception
Net of Fee Returns					
Total Domestic Equity	13.60%	2.80%	24.36%	0.63%	4.42%
Russell 3000 Index	12.87%	7.18%	24.26%	2.18%	3.95%
Northern Trust Global	12.59%	8.58%	23.68%	1.92%	8.53%
S&P 500 Index	12.59%	8.54%	23.42%	2.01%	8.58%
BlackRock R1000 Alpha Tilts	16.52%	14.44%	24.92%	1.59%	6.20%
Russell 1000 Index	12.90%	7.86%	24.03%	2.19%	6.21%
Ernest Partners LLC	13.00%	3.15%	28.64%	4.82%	6.39%
Russell MidCap Index	12.94%	3.31%	29.13%	3.03%	6.34%
Dimensional Fund Advisors Inc.	13.28%	(3.30%)	33.00%	0.84%	11.04%
Russell 2000 Value Index	11.59%	(1.07%)	25.36%	0.01%	8.62%
Allianz Global Investors Capital	18.01%	(7.50%)	-	-	6.94%
Russell 2000 Growth Index	13.28%	0.68%	28.36%	4.15%	14.86%
Total Global Equity	14.06%	(1.89%)	-	-	5.02%
MSCI The World Index	11.56%	0.56%	20.24%	(0.70%)	6.81%
Grantham Mayo Van Otterloo	10.92%	(3.88%)	-	-	4.41%
MSCI The World Index	11.56%	0.56%	20.24%	(0.70%)	6.81%
T. Rowe Price	17.33%	0.05%	-	-	16.46%
MSCI AC World	11.88%	(0.73%)	20.75%	(0.19%)	15.59%
Total International Equity	13.12%	(3.07%)	20.07%	(1.91%)	6.65%
MSCI EAFE Index	10.86%	(5.77%)	17.13%	(3.51%)	4.00%
Brandes Investment Partners	10.36%	(5.04%)	14.93%	(3.91%)	6.94%
MSCI EAFE Index	10.86%	(5.77%)	17.13%	(3.51%)	3.26%
William Blair & Company	14.52%	0.23%	23.48%	(0.54%)	7.23%
MSCI ACWI ex-US Index	11.34%	(6.75%)	19.65%	(1.11%)	7.20%
Dimensional Fund Advisors Inc.	16.72%	(8.76%)	22.27%	(2.66%)	0.58%
Blended Benchmark	14.86%	(6.23%)	22.53%	(4.44%)	(2.33%)
Total Fixed Income	2.49%	8.01%	14.78%	8.08%	8.07%
Barclays Capital Aggregate	0.30%	7.71%	6.83%	6.25%	6.68%
BlackRock Intermediate Agg	0.68%	6.21%	6.23%	6.01%	6.00%
Barclays Capital Int Aggregate	0.66%	6.16%	6.10%	5.90%	5.94%
Reams Asset Management	2.54%	9.27%	17.21%	8.44%	6.68%
Loomis, Sayles & Company, L.P.	5.09%	9.13%	18.69%	8.66%	9.52%
Barclays Capital Aggregate	0.30%	7.71%	6.83%	6.25%	6.68%
Wellington Management Company	(0.45%)	6.48%	-	-	6.55%
CG WGBI Index	(0.51%)	5.12%	6.23%	6.78%	4.98%
Total Private Equity	0.00%	(1.76%)	-	-	0.62%
Abbott Capital Management	0.00%	(30.73%)	-	-	(52.24%)
Mesirow Financial	0.00%	5.05%	-	-	8.02%
Total Real Estate	0.82%	12.22%	(4.72%)	(5.24%)	4.10%
Real Estate	0.82%	12.22%	(4.72%)	(5.24%)	4.10%
NCREIF Property(1Quarter in Arrears)	2.96%	14.26%	2.43%	3.09%	7.33%
Total Fund	9.21%	3.15%	17.93%	1.80%	9.37%
Total Fund Reference Index	8.08%	4.98%	16.39%	2.63%	-

* 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

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.

	12/2011- 3/2012	2011	2010	2009	2008
Net of Fee Returns					
Total Domestic Equity	13.60%	(2.78%)	18.74%	31.29%	(41.06%)
Russell 3000 Index	12.87%	1.03%	16.93%	28.34%	(37.31%)
Northern Trust Global	12.59%	2.19%	15.11%	27.08%	(37.64%)
S&P 500 Index	12.59%	2.11%	15.06%	26.47%	(37.00%)
BlackRock R1000 Alpha Tilts	16.52%	4.34%	12.33%	26.52%	(37.04%)
Russell 1000 Index	12.90%	1.50%	16.10%	28.43%	(37.60%)
Ernest Partners LLC	13.00%	(0.87%)	26.47%	41.51%	(40.88%)
Russell MidCap Index	12.94%	(1.55%)	25.48%	40.48%	(41.46%)
Dimensional Fund Advisors Inc.	13.28%	(7.30%)	34.00%	36.29%	(37.56%)
Russell 2000 Value Index	11.59%	(5.50%)	24.50%	20.58%	(28.92%)
Allianz Global Investors Capital	18.01%	(10.99%)	-	-	-
Russell 2000 Growth Index	13.28%	(2.91%)	29.09%	34.47%	(38.54%)
Total Global Equity	14.06%	(9.37%)	-	-	-
MSCI The World Index	11.56%	(5.54%)	11.76%	29.99%	(40.71%)
Grantham Mayo Van Otterloo	10.92%	(7.89%)	-	-	-
MSCI The World Index	11.56%	(5.54%)	11.76%	29.99%	(40.71%)
T. Rowe Price	17.33%	(10.97%)	-	-	-
MSCI AC World	11.88%	(7.35%)	12.67%	34.63%	(42.20%)
Total International Equity	13.12%	(12.29%)	13.67%	35.59%	(45.35%)
MSCI EAFE Index	10.86%	(12.14%)	7.75%	31.78%	(43.38%)
Brandes Investment Partners	10.36%	(10.60%)	4.34%	24.80%	(38.88%)
MSCI EAFE Index	10.86%	(12.14%)	7.75%	31.78%	(43.38%)
William Blair & Company	14.55%	(11.93%)	19.90%	43.39%	(51.01%)
MSCI ACWI ex-US Index	11.34%	(13.33%)	11.60%	42.14%	(45.24%)
Dimensional Fund Advisors Inc.	16.72%	(17.46%)	18.10%	39.52%	(41.68%)
Blended Benchmark	14.86%	(15.94%)	19.44%	43.20%	(48.36%)
Total Fixed Income	2.49%	7.21%	9.65%	25.35%	(7.70%)
Barclays Capital Aggregate	0.30%	7.84%	6.54%	5.93%	5.24%
BlackRock Intermediate Agg	0.68%	6.08%	6.29%	6.62%	4.92%
Barclays Capital Int Aggregate	0.66%	5.97%	6.15%	6.46%	4.86%
Reams Asset Management	2.54%	7.42%	8.63%	30.28%	(8.83%)
Loomis, Sayles & Company, L.P.	5.09%	6.84%	12.21%	33.92%	(15.40%)
Barclays Capital Aggregate	0.30%	7.84%	6.54%	5.93%	5.24%
Total Private Equity	0.00%	(3.21%)	-	-	-
Abbott Capital Management	0.00%	(38.92%)	-	-	-
Mesirow Financial	0.00%	5.05%	-	-	-
Russell 3000 (On a Qtr Lag) + 3%	-	3.61%	-	-	-
Total Real Estate	0.82%	18.17%	(0.12%)	(39.23%)	(5.95%)
Real Estate	0.82%	18.17%	(0.12%)	(39.23%)	(5.95%)
NCREIF Property(1Quarter in Arrears)	2.96%	16.10%	5.83%	(22.11%)	5.27%
Total Fund	9.21%	(1.38%)	13.72%	23.36%	(31.04%)
Total Fund Reference Index	8.08%	0.79%	11.56%	19.10%	(25.43%)

* 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).

