

RVKuhns

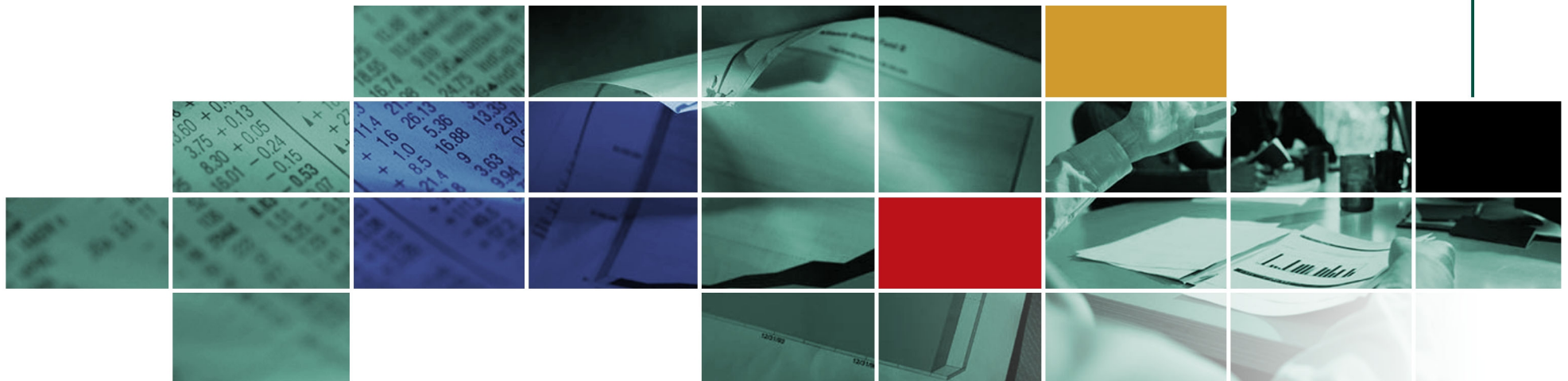
▶▶▶ & ASSOCIATES, INC.

Milwaukee Employes' Retirement System

Public Fund Universe Analysis

Period Ending December 31, 2011

Fund Number: 105



Report and Firm Summary

The following report is a compilation of data provided to R.V. Kuhns & Associates, Inc. by 77 public funds throughout the United States. R.V. Kuhns & Associates, Inc. is a registered investment advisor with the Securities Exchange Commission under the Investment Advisors Act of 1940. Our firm provides investment consulting services to 205 clients across 459 plans with total assets in excess of \$1.09 trillion. The confidentiality of participants is maintained by revealing the fund name only to each individual fund. For more information about services provided by R.V. Kuhns & Associates, Inc. please visit our website at www.RVKuhns.com.

Table of Contents

	PAGE		PAGE
Introduction		Performance (Cont'd)	
Summary		Annualized US Equity Returns	38-40
List of Participants	1-2	US Equity vs. R 3000 Index	41
Research Analysis Results	3-4	Annualized International Equity Returns	42-44
Market Environment	5-20	International Equity vs. MSCI ACW Ex US Index	45
Universe Characteristics	21	Annualized US Fixed Income Returns	46-48
		US Fixed Income vs. BC US Agg Bond Index	49
Style Characteristics		Annualized Real Estate Returns	50-52
Active vs. Passive / Internal vs. External	22	Real Estate vs. NCREIF ODCE Index	53
Portfolio Management Statistics	23	Risk/Return Analyses	
Asset Allocation		Total Fund	54-55
Asset Allocation vs. Average Allocation	24	US Equity	56-57
Asset Allocation vs. Average Allocation by Size	25	International Equity	58-59
Equity Allocation vs. Average Allocation	26	US Fixed Income	60-61
Equity Allocation vs. Average Allocation by Size	27	Real Estate	62-63
Alternatives Allocation vs. Average Allocation	28	Actuarial Statistics	
Alternatives Allocation vs. Average Allocation by Size	29	Net Assets Available for Benefits	64
Equity Style Allocation	30	Actuarial Assumption Rates	65
Fixed Income Style Allocation	31	Administrative and Investment Fees	
Real Estate Allocation	32	Total Fund Fee Allocation vs. Average	66
Alternatives Style Allocation	33	Total Fund Fee Summary in Basis Points	67
Performance		Addendum and Glossary	68
Annualized Total Fund Returns	34-36		
Total Fund vs. 60% R 3000/40% BC US Agg Bond Index	37		

Participants

As of December 31, 2011

Fund Number: 105

Alameda County Employees' Retirement Association	Big Spring Firemen's Relief & Retirement Fund
California Public Employees' Retirement System	California State Teachers' Retirement System
Chicago Teachers' Pension Fund	City of Fresno Retirement Systems
City of Grand Rapids General Retirement System	City of Grand Rapids Police & Fire Retirement System
City of Phoenix Employees' Retirement System	Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri
Colorado Public Employees' Retirement Association	Contra Costa County Employees' Retirement Association
County Employees' Annuity & Benefit Fund of Cook County	District of Columbia Retirement Board
Educational Employees' Supplementary Retirement System of Fairfax County	Employees Retirement System of Texas
Fire & Police Employees' Retirement System of Baltimore	Fire and Police Pension Association of Colorado
Florida State Board Administration	Fort Worth Employees' Retirement Fund
Ft. Lauderdale General Employees Retirement System	Georgia Division of Investment Services
Gila River Indian Community Retirement Plan	Illinois Municipal Retirement Fund
Illinois State Board of Investment	Imperial County Employees' Retirement System
Iowa Public Employees' Retirement System	Kansas City, Missouri Employees' Retirement System
Kansas City, Missouri Firefighters' Pension System	Kansas Public Employees' Retirement System
Kentucky Retirement Systems	Kentucky Teachers' Retirement System
Kern County Employees' Retirement Association	Los Angeles County Employees Retirement Association
Los Angeles Fire and Police Pension System	Los Angeles Water & Power Employees Retirement Plan
Marin County Employees' Retirement Association	Mendocino County Employees' Retirement Association
Merced County Employees' Retirement Association	Metro Water Reclamation District Retirement Fund
Milwaukee Employees' Retirement System (105)	Montana Public Employees' Retirement System
Montana Teachers' Retirement System	Municipal Employees' Annuity and Benefit Fund of Chicago
Navajo Nation Retirement Plan	Nevada Public Employees' Retirement System

Participants

As of December 31, 2011

Fund Number: 105

New Mexico Educational Retirement Board
Ohio Public Employees Retirement System
Pennsylvania Municipal Retirement System
Pennsylvania State Employees' Retirement System
Public Education Employee Retirement System of Missouri
Sacramento County Employees' Retirement System
San Diego City Employees' Retirement System
San Joaquin County Employees' Retirement Association
Sonoma County Employees' Retirement Association
State of Michigan Retirement Systems
State Universities Retirement System of Illinois
Teachers' Retirement System of the State of Illinois
The Public School Retirement System of Missouri
Utah Retirement Systems
Virginia Retirement System
Wyoming Retirement System

New York State Common Retirement Fund
Orange County Employees Retirement System
Pennsylvania Public School Employees' Retirement System
Police Retirement System of Kansas City, Missouri
Public Employees Retirement Association of New Mexico
San Bernardino County Employees' Retirement Association
San Diego County Employees Retirement Association
San Mateo County Employees' Retirement Association
South Dakota Retirement System
State of New Jersey Pension Fund
Teachers' Retirement System of Louisiana
Texas Municipal Retirement System
Tulare County Employees' Retirement Association
Ventura County Employees' Retirement Association
West Virginia Investment Management Board

Research Analysis Results

1) CTA/Managed Futures

A) Does the Plan have a dedicated allocation to CTA/Managed Futures?

15% Yes
85% No

If yes, how have you implemented this allocation?

28% Fund of Funds
36% Multiple external managers
36% Single external manager
0% Internal execution (Staff)

If yes, what is your target allocation to CTA/Managed Futures as a percentage of the total plan?

67% < 3%
11% 3 - 4.99%
11% 5 - 7%
11% > 7%

If no, does the Plan intend to add CTA/Managed Futures to the portfolio in the next 3 years?

13% Yes
87% No

2) Rebalancing

A) What is your rebalancing process, as stated in the Investment Policy?

8% No rigid rebalancing process
25% Periodic rebalancing (i.e. monthly, quarterly or annually)
40% Tolerance/threshold rebalancing (no action unless the stated policy range is breached)
27% Proactive/tactical rebalancing (i.e. making decisions based on views about the direction and/or valuation of the markets)

If "proactive/tactical rebalancing", is it governed by:

100% Stated range limits
0% There are no range limits

B) Regardless of your rebalancing process, how often do you review actual asset allocation targets vs. policy allocations to determine if rebalancing is necessary?

46% Ongoing basis
39% Monthly basis
10% Quarterly basis
2% Semi-annual basis
3% Annual basis
0% Longer period

C) When executing the rebalance, do you rebalance:

- 31% Back to target
- 12% Half-way back to target
- 10% To the upper/lower boundary of the stated range around the target
- 47% Tactically (no predetermined level)

D) When determining rebalancing ranges, do you base them on (check all that apply):

- 48% Asset class size/target allocation
- 16% Volatility of an asset class
- 15% Transaction costs
- 21% Liquidity of an asset class

E) Does your rebalancing policy have a contingency provision allowing the Board to amend or suspend its stated rebalancing policy?

- 50% Yes
- 50% No

3) Liabilities

A) Has the Plan decreased its assumed rate of return since 2008?

- 40% Yes
- 60% No

If yes, by how much?

0.25% (median reduction)

If no, has there been formal consideration of future decreases to the assumed rate of return?

- 40% Yes
- 60% No

B) Which of the below best describes the contribution policy for your pension plan/system?

- 61% The Actuarially Required Contribution (ARC) must be made each year
- 26% Contributions are set by existing rules, not equal to ARC (e.g. a set dollar amount, a statutory mandate, etc.)
- 13% Contributions are dynamic (e.g. reset annually via budget process)

Capital Markets Review As of December 31, 2011

Fourth Quarter Economic Environment

Steadying domestic trends and fluctuating economic headwinds abroad were the overall themes in the fourth quarter. Domestically, the economy experienced improved numbers in manufacturing, retail sales, and consumer confidence. In December, the unemployment rate decreased to 8.5%, a 35 month low, thanks in part to a steady rate of private hiring and a decreasing labor force participation rate. The BEA's final third quarter data was revised downward from 2.0% to an annual growth rate of 1.8%. In an attempt to maintain historically low interest rates, the Federal Reserve reiterated its commitment to "Operation Twist," while also announcing a plan to publish a conditional future federal funds rate in an effort to boost transparency.

The European Central Bank, along with the Federal Reserve and four other major central banks, agreed to cut the cost of dollar loans to banks by 0.50% in an effort to improve the liquidity of European banks. Mario Draghi replaced Jean-Claude Trichet as president of the ECB in early November. Mr. Draghi spearheaded several key policy changes across the Eurozone in an attempt to restore stability to the monetary union. Eurozone leaders also pushed through an historic agreement for increased economic integration and tougher fiscal controls. Italian 10-year bond yield remained at elevated levels while Spanish yields retreated slightly from November highs, ending the year at 7.11% and 5.09% respectively. Commodities, represented by the DJ-UBS Commodity Index, finished slightly up for the quarter at 0.35% after a turbulent year. Gold's spot price decreased in the fourth quarter to \$1,564 but increased 10.06% for the year.

Domestic Equities

- An improved U.S. economic outlook helped U.S. equities erase summer losses.
- Small-cap stocks outperformed their large-cap counterparts with small-cap value stocks, represented by the R 2000 Value, as the highest performer at 15.97% for the quarter.
- With the energy and industrials sectors leading the way, the S&P 500 (Cap Wtd) posted an 11.82% return for the quarter and a 2.11% return for the year.
- Market volatility, as measured by the CBOE Volatility Index, decreased to 23, and is down sharply from the third quarter reading of 43.
- Despite the positives, investors continued their retreat from U.S. equity mutual funds as \$49B flowed out during the quarter, while taxable bond funds saw inflows of \$34B.

International Equities

- Although uncertainty over the future of the Eurozone remains, the MSCI EAFE gained 3.38% for the quarter.
- Continuing a trend seen throughout the year, small-cap stocks underperformed large-cap stocks as the MSCI EAFE Small Cap finished the quarter down -0.52%.
- The MSCI Emerging Markets index returned 4.45% for the quarter but still finished the year substantially down at -18.17%.

Fixed Income

- U.S. fixed income continued to be a safe haven for global investors, with the BC US Agg Bond Index returning 1.12% for the quarter and 7.84% for the year.
- U.S. Municipal Debt and U.S. TIPS were also strong performers for the year, with the BC US Muni Bond Index and the BC US Trsy: US TIPS Index returning 10.70% and 13.56%.

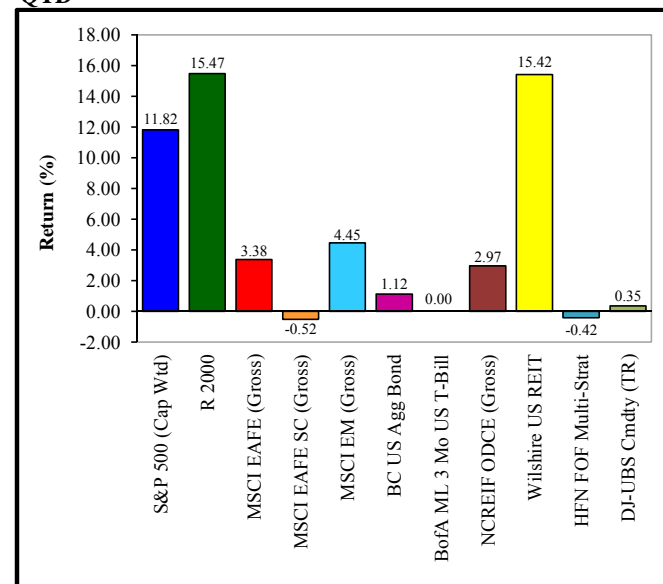
Trailing-Period Performance

	Mth End Oct-2011	Mth End Nov-2011	MTD	QTD	CYTD	1 Year	2 Years	3 Years	5 Years	10 Years
S&P 500 (Cap Wtd)	10.93	-0.22	1.02	11.82	2.11	2.11	8.39	14.11	-0.25	2.92
R 2000	15.14	-0.36	0.66	15.47	-4.18	-4.18	10.25	15.63	0.15	5.62
MSCI EAFE (Gross)	9.65	-4.83	-0.94	3.38	-11.73	-11.73	-2.27	8.16	-4.26	5.12
MSCI EAFE SC (Gross)	7.20	-5.40	-1.90	-0.52	-15.66	-15.66	1.60	15.00	-3.80	9.42
MSCI EM (Gross)	13.26	-6.66	-1.20	4.45	-18.17	-18.17	-1.24	20.42	2.70	14.20
BC US Agg Bond	0.11	-0.09	1.10	1.12	7.84	7.84	7.19	6.77	6.50	5.78
BofA ML 3 Mo US T-Bill	0.00	0.00	0.00	0.00	0.10	0.10	0.11	0.14	1.48	1.95
NCREIF ODCE (Gross)	N/A	N/A	N/A	2.97	15.99	15.99	16.18	-1.76	-0.21	6.18
Wilshire US REIT	14.71	-3.93	4.74	15.42	9.24	9.24	18.53	21.79	-1.96	10.16
HFN FOF Multi-Strat	0.86	-0.73	-0.54	-0.42	-5.55	-5.55	-0.52	2.78	-1.04	3.21
DJ-UBS Cmdty (TR)	6.62	-2.22	-3.75	0.35	-13.32	-13.32	0.64	6.39	-2.07	6.63

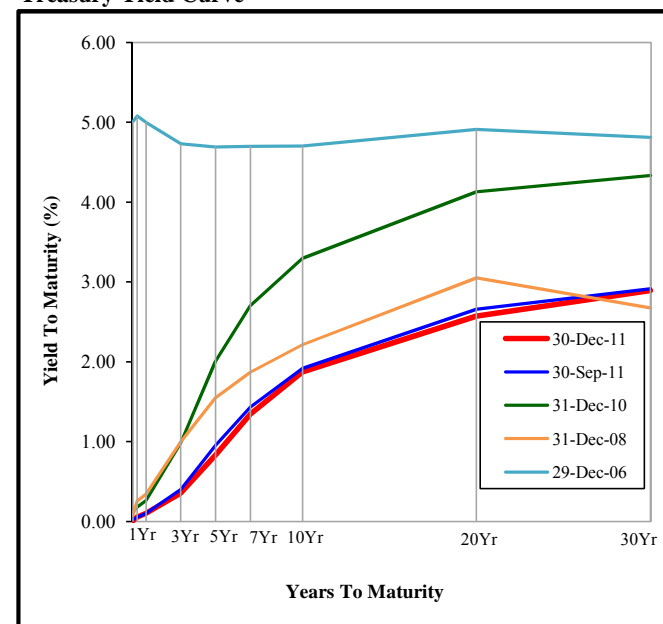
Performance is annualized for periods greater than one year.

Treasury data courtesy of the U.S. Department of the Treasury.

QTD

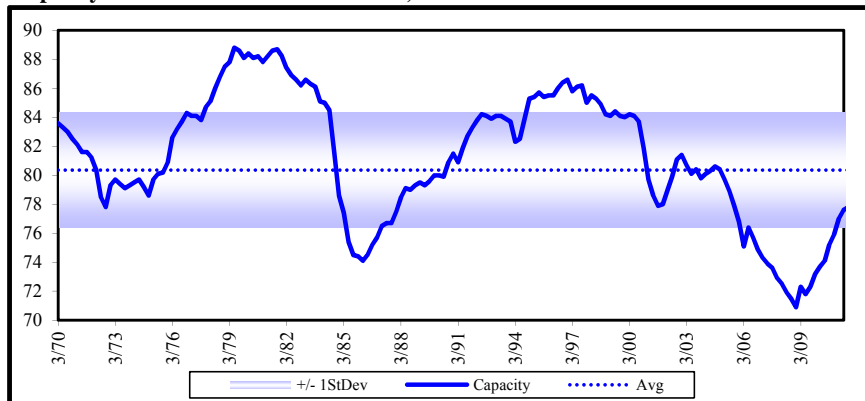


Treasury Yield Curve

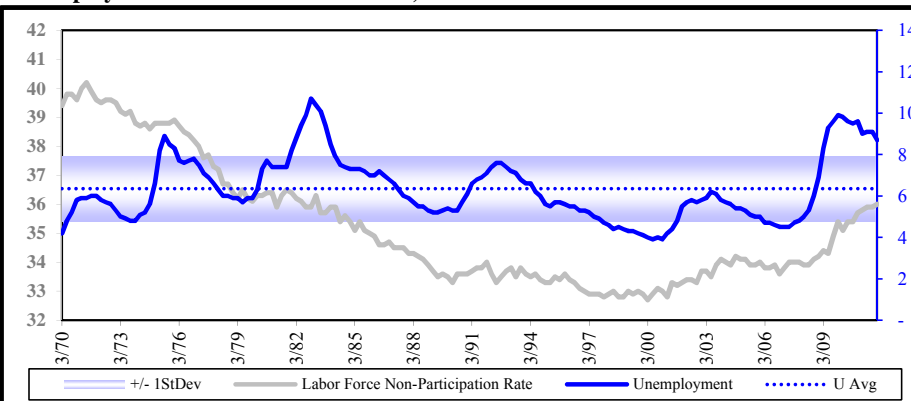


Economic Measures ¹ As of December 31, 2011

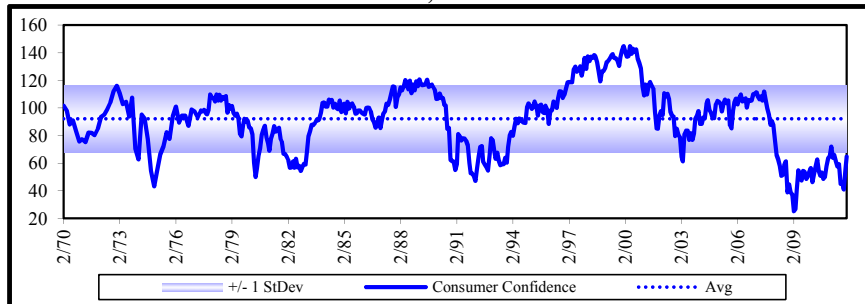
Capacity Utilization as of December 31, 2011



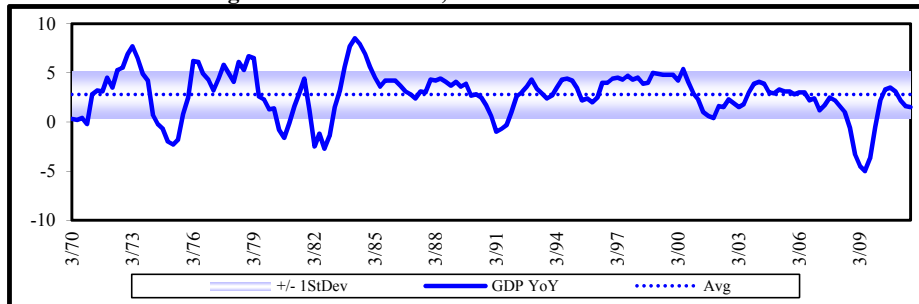
Unemployment Rate as of December 31, 2011



Consumer Confidence as of December 31, 2011

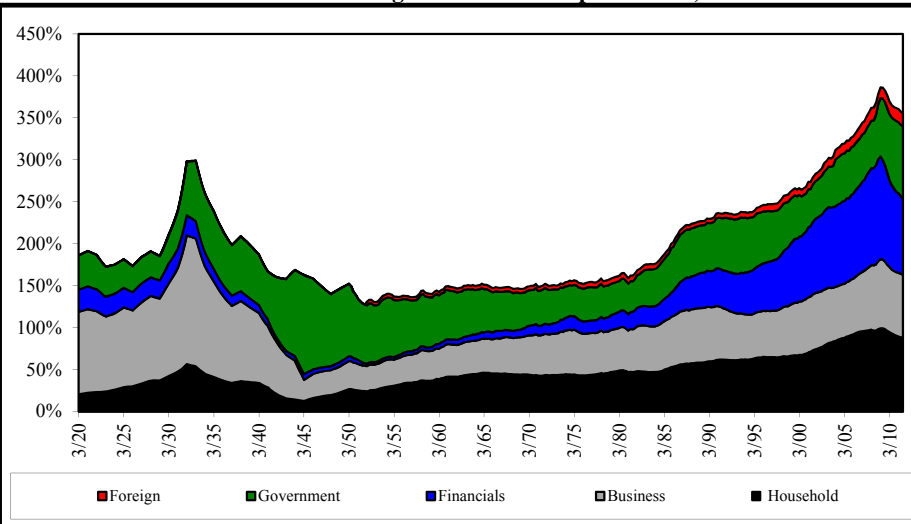


Real GDP YoY Change as of December 31, 2011



	12/31/2011		9/30/2011	20 Year	40 Year
Capacity Utilization	78.10	▲	77.70	79.40	80.30
Unemployment Rate	8.50%	▼	9.00%	6.00%	6.40%
Shiller 20 City YoY - Housing	N/A		-3.54%	3.19%	N/A
PMI - Manufacturing	53.10	▲	52.50	52.10	52.30
Baltic Dry Index - Shipping	1,738	▼	1,899	2,438	2,120
Real GDP YoY	1.60%	▲	1.50%	2.60%	2.80%
Consumer Confidence (Conf. Bd.)	64.80	▲	46.40	92.75	92.28
Breakeven Inflation - 10 Year	1.95	▲	1.76	N/A	N/A
CPI YoY (Headline) ⁴	3.00%	▼	3.90%	2.50%	4.40%
CPI YoY (Core) ⁴	2.20%	▼	2.00%	2.30%	4.30%
PPI YoY	4.80%	▼	6.90%	2.30%	4.00%
M2 YoY	9.60%	—	9.60%	5.60%	6.80%
Personal Savings	4.00%	▲	3.50%	4.20%	6.50%
Disposable Personal Income	0.40%	▲	0.10%	0.40%	0.60%
Prsnl Consumption Expenditures	2.40%	▼	2.90%	2.10%	3.90%
US Dollar Total Weighted Index	73.33	▲	72.81	88.12	95.89
WTI Crude Oil per Barrel	\$99	▲	\$79	\$40	\$36
Gold Spot per Oz ⁵	\$1,576	▼	\$1,629	\$286	\$321

US Credit Market Debt as a Percentage of GDP as of September 30, 2011²



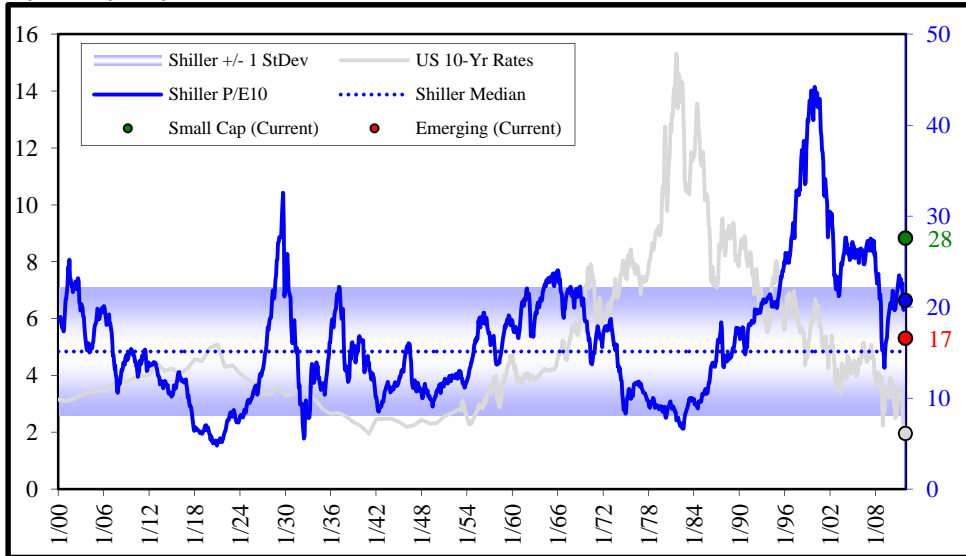
¹ All data courtesy of Bloomberg Professional Service, except as noted below.

² Data prior to 1952 is from "The Statistical History of the United States, From Colonial Times to the Present", by Ben Wattenberg, Morgan Stanley Research.

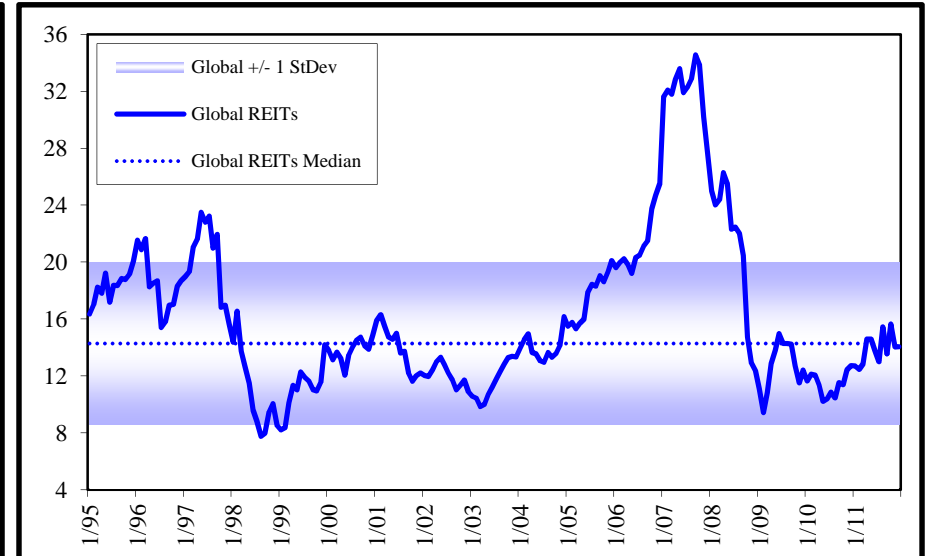
³ "N/A" is shown for data that is not yet available. ⁴ CPI figures are cyclically adjusted. ⁵ 20- and 40-year average Gold spot prices are adjusted for inflation.

Valuation Metrics¹ As of December 31, 2011

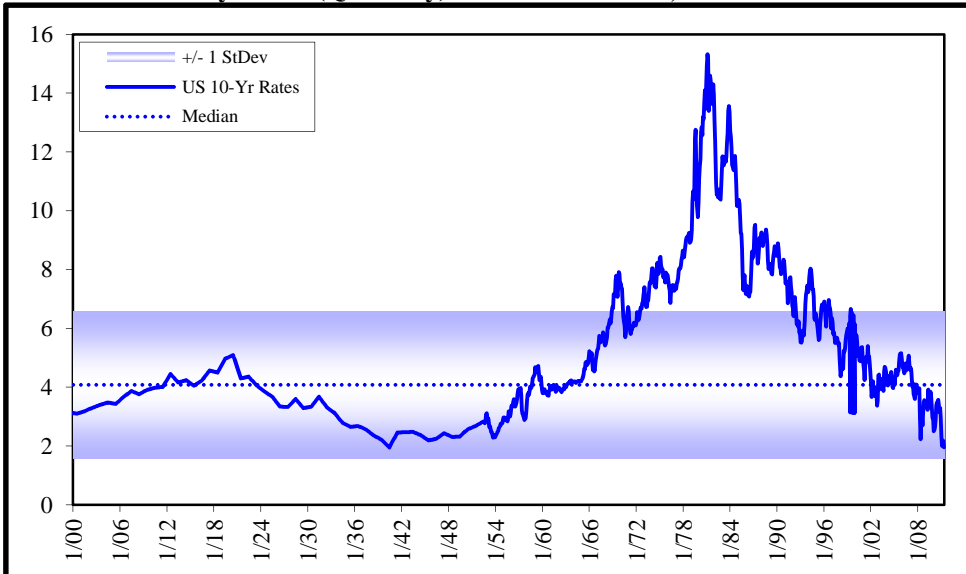
Cyclically Adjusted P/E Ratios² as of December 31, 2011



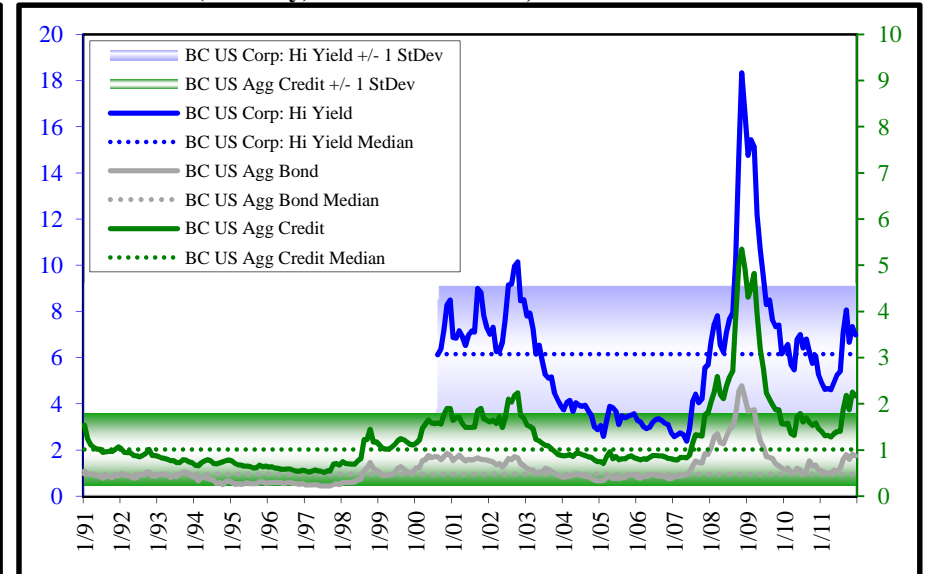
REITs Price to Cash Flows as of December 31, 2011



Historical Treasury Yields (Quarterly)² as of December 31, 2011



Historical OAS (Monthly) as of December 31, 2011



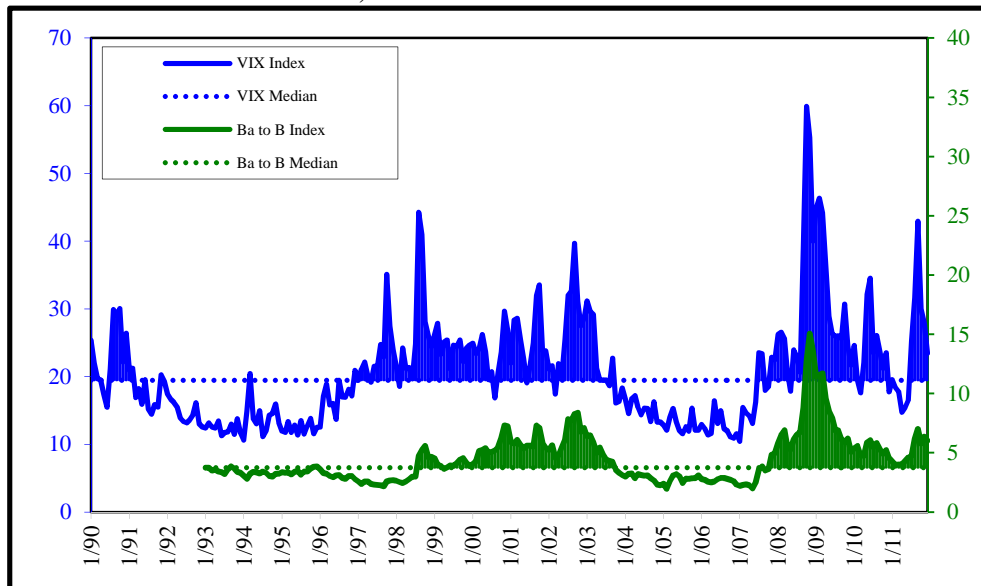
¹ All data courtesy of Bloomberg Professional Service.

² Source: Bloomberg and Robert J. Shiller, Irrational Exuberance, Second Edition. P/E for the S&P 500 Index is based on 10-year trailing real earnings. Small Cap is represented by the S&P 600 Small Cap Index, and Emerging is represented by the MSCI Emerging Markets Index. Due to limited history, only the current 10-year P/E is shown for Small Cap and Emerging.

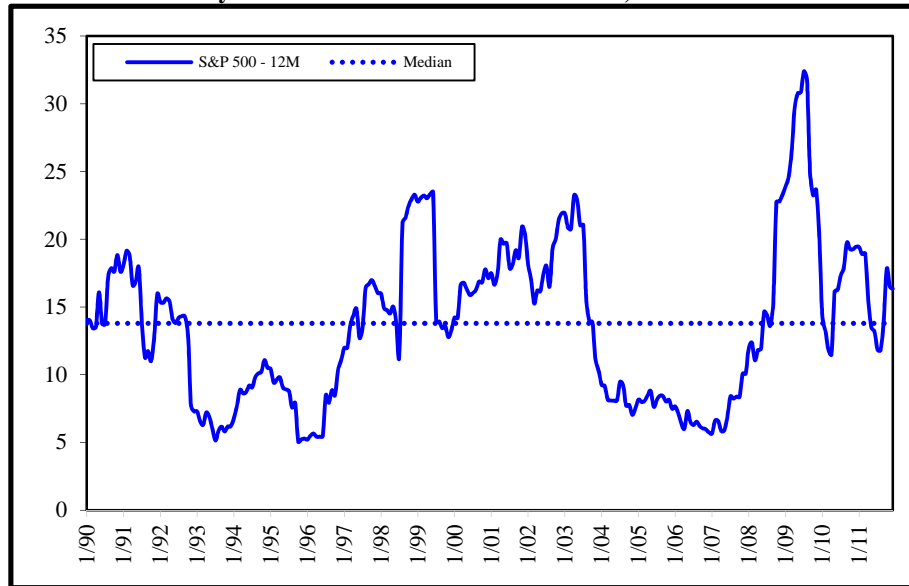
³ US REITs is represented by the MSCI US REITs Index and Global REITs is represented by the MSCI World Real Estate Index.

Risk Metrics ¹ As of December 31, 2011

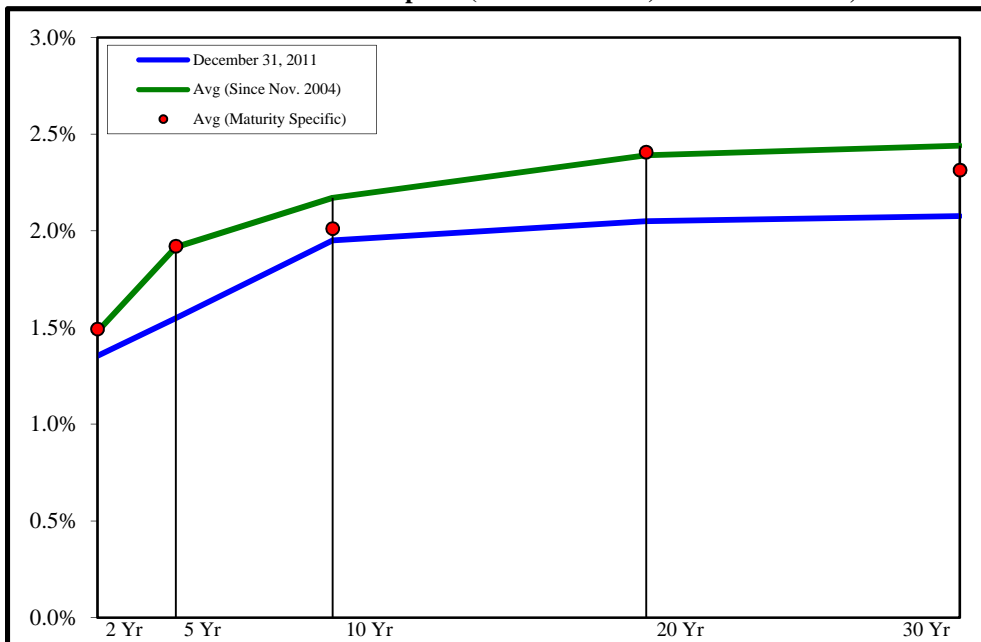
Fear Metrics as of December 31, 2011



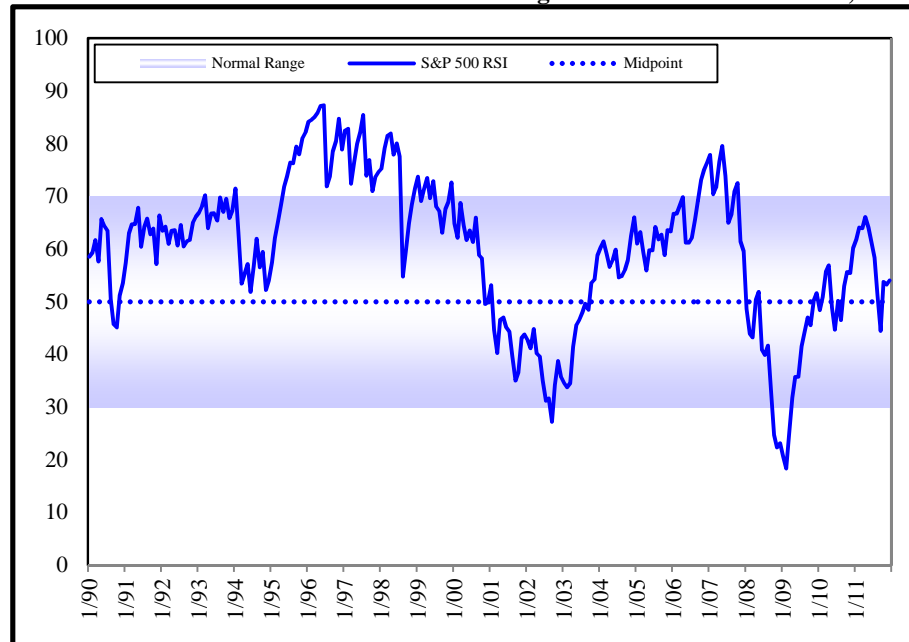
Historical Volatility - S&P 500 Index as of December 31, 2011



Breakeven Inflation - Common Inception (November 2004)² vs. December 31, 2011



Momentum Indicator - S&P 500 Relative Strength Index as of December 31, 2011



¹ All data courtesy of Bloomberg Professional Service.

² Common inception of November 2004 is based on historical data availability. Specific inception dates are as follows: 2- and 20-year (2004), 5-year (2002), 10- and 30-year (1998).

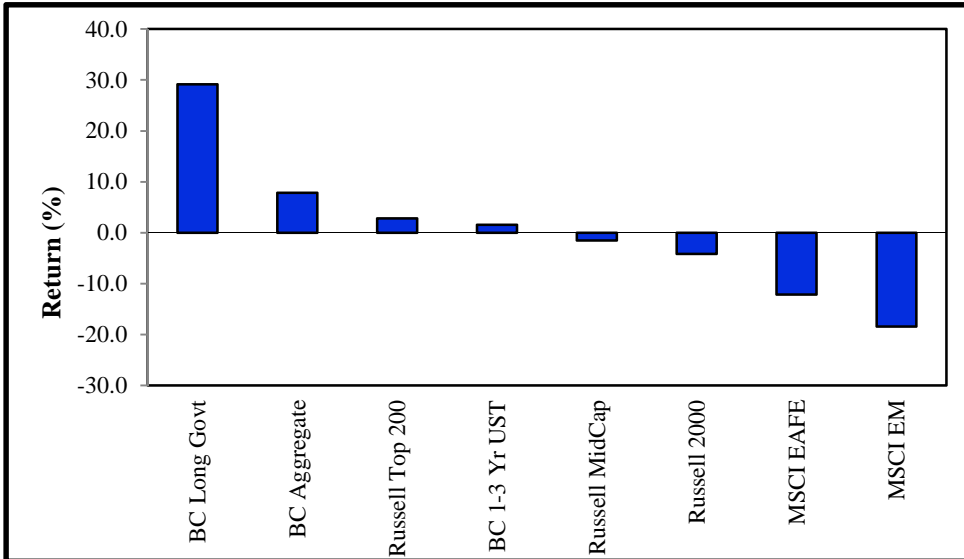
**Annual Asset Class Performance
As of December 31, 2011**

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Best	33.36%	28.58%	66.42%	31.84%	12.35%	25.91%	62.14%	33.16%	34.54%	35.97%	39.78%	8.44%	79.02%	28.60%	22.49%
	22.36%	20.34%	27.31%	31.04%	8.44%	16.56%	56.28%	31.27%	26.65%	32.59%	16.23%	5.24%	58.21%	26.86%	15.99%
	19.66%	16.42%	24.69%	16.16%	7.89%	14.81%	47.25%	25.95%	21.39%	26.86%	15.97%	2.06%	47.32%	22.40%	13.56%
	17.65%	11.77%	24.35%	14.28%	7.28%	10.25%	39.17%	20.70%	21.36%	19.67%	11.63%	-2.35%	32.46%	19.20%	9.24%
	15.11%	8.69%	21.26%	13.15%	6.61%	5.54%	36.18%	18.33%	14.02%	18.37%	11.63%	-10.01%	28.60%	16.84%	7.84%
	14.52%	5.23%	21.04%	12.40%	5.64%	3.58%	28.97%	13.06%	13.82%	16.32%	9.91%	-20.47%	27.18%	16.36%	4.98%
	12.76%	3.94%	20.19%	11.63%	5.28%	3.12%	28.68%	11.13%	6.75%	15.79%	6.97%	-26.16%	26.46%	15.12%	2.11%
	9.65%	3.75%	13.17%	6.18%	4.42%	1.78%	23.93%	10.88%	5.33%	11.85%	6.60%	-33.79%	18.91%	15.06%	0.10%
	5.33%	1.87%	4.85%	-3.02%	2.49%	-1.41%	11.93%	9.15%	4.91%	9.85%	5.49%	-35.65%	11.41%	10.16%	-4.18%
	2.05%	-2.55%	2.40%	-5.86%	-2.37%	-6.00%	9.28%	8.56%	4.55%	4.85%	5.00%	-37.00%	9.72%	8.21%	-5.55%
	-3.39%	-17.01%	2.39%	-7.22%	-11.89%	-7.44%	8.39%	8.46%	3.07%	4.33%	1.87%	-39.20%	5.93%	6.54%	-11.73%
	-11.60%	-25.33%	-0.82%	-9.10%	-12.11%	-15.66%	5.87%	6.79%	2.84%	2.71%	1.79%	-43.06%	1.92%	6.31%	-13.32%
	N/A	-27.03%	-2.58%	-13.96%	-19.51%	-20.48%	4.10%	4.34%	2.74%	2.07%	-1.57%	-46.78%	0.21%	4.77%	-15.66%
Worst	N/A	N/A	-7.65%	-30.61%	-21.21%	-22.10%	1.15%	1.33%	2.43%	0.41%	-17.55%	-53.18%	-29.76%	0.13%	-18.17%

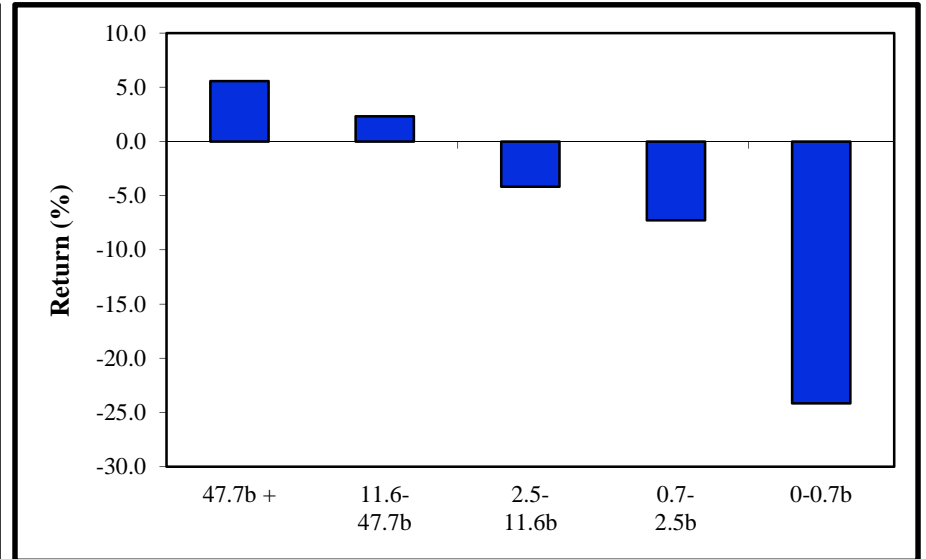
S&P 500 - US Large Cap	R 2000 - US Small Cap	MSCI EAFE (Gross) - Int'l Dev.	MSCI EAFE SC (Gross) - Int'l SC	MSCI EM (Gross) - Int'l Emg Mkts	BC US Agg Bond - FI	BC US Corp: Hi Yield - FI	BC US Trsy: US TIPS - FI	BC US Gov't/Credit: Lng - FI	NCREIF ODCE (Gross) - Real Estate	Wilshire US REITs - REITs	HFN FOF Multi-Strat (Net) - ARS	DJ-UBS Cndty (TR) - Commodities	BofA ML 3 Mo T-Bill - Cash Equiv
------------------------	-----------------------	--------------------------------	---------------------------------	----------------------------------	---------------------	---------------------------	--------------------------	------------------------------	-----------------------------------	---------------------------	---------------------------------	---------------------------------	----------------------------------

Headwinds to 2011 Active Manager Performance¹
As of December 31, 2011

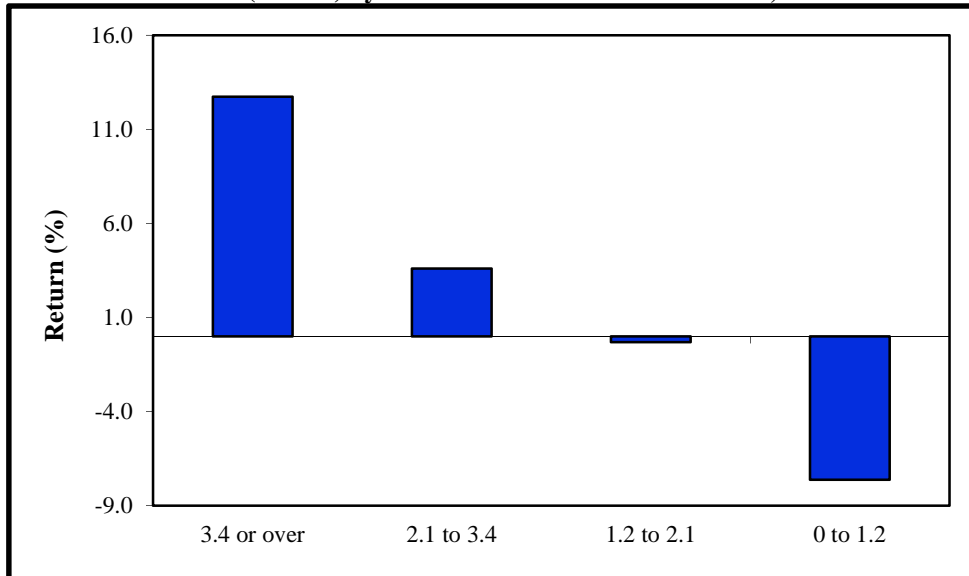
Market Index Returns (1-Year) as of December 31, 2011



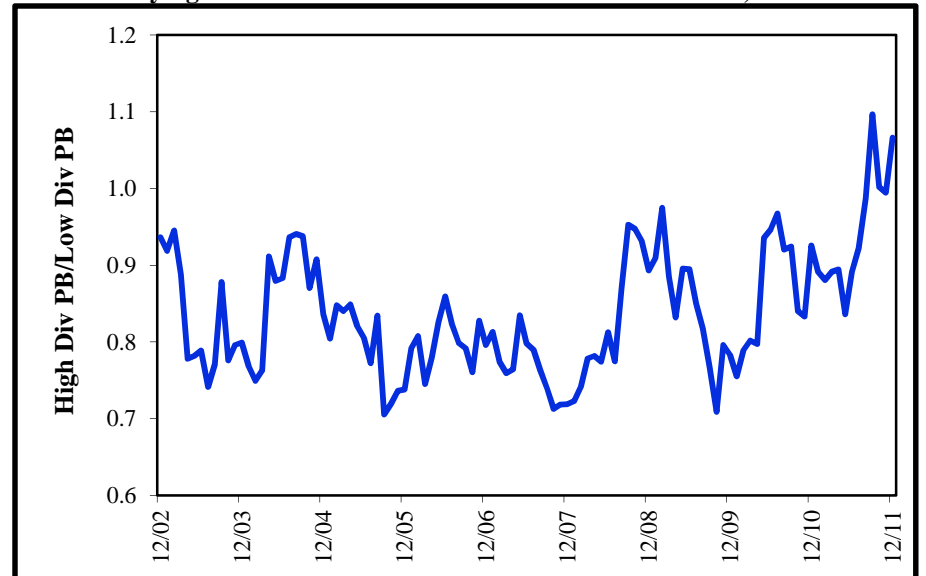
Russell 3000 Return (1-Year) by Market Capitalization as of December 31, 2011



Russell 3000 Return (1-Year) by Dividend Yield as of December 31, 2011



Dividend Paying Stocks Priced at a Premium² as of December 31, 2011

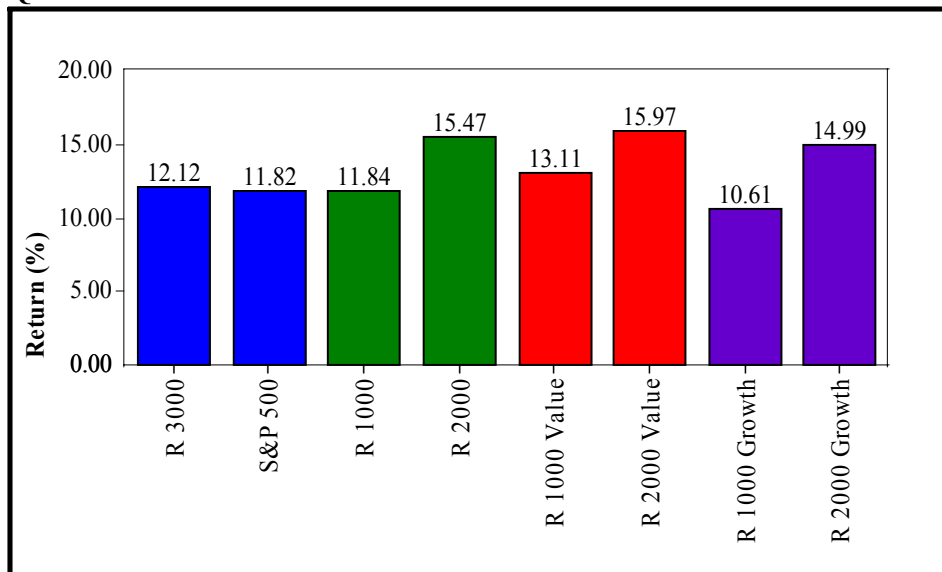


¹ Data courtesy of eVestment Alliance and Morningstar.

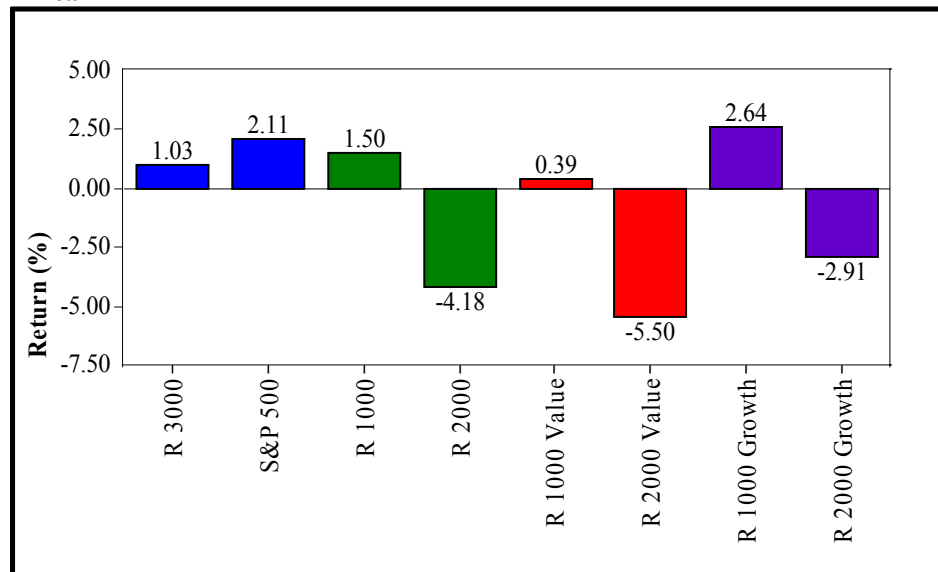
² Shows the rolling 1-month ratio of the P/B Ratio of the highest dividend paying stocks to the lowest dividend paying stocks, with dividend payout measures on a 1, 3 & 10-year basis.

Domestic Equity Market Performance and Risk As of December 31, 2011

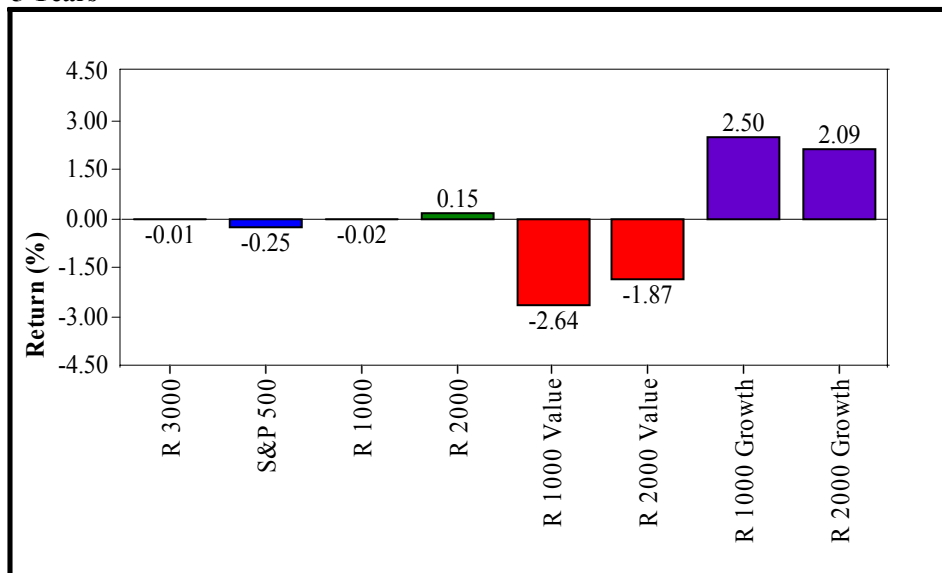
QTD



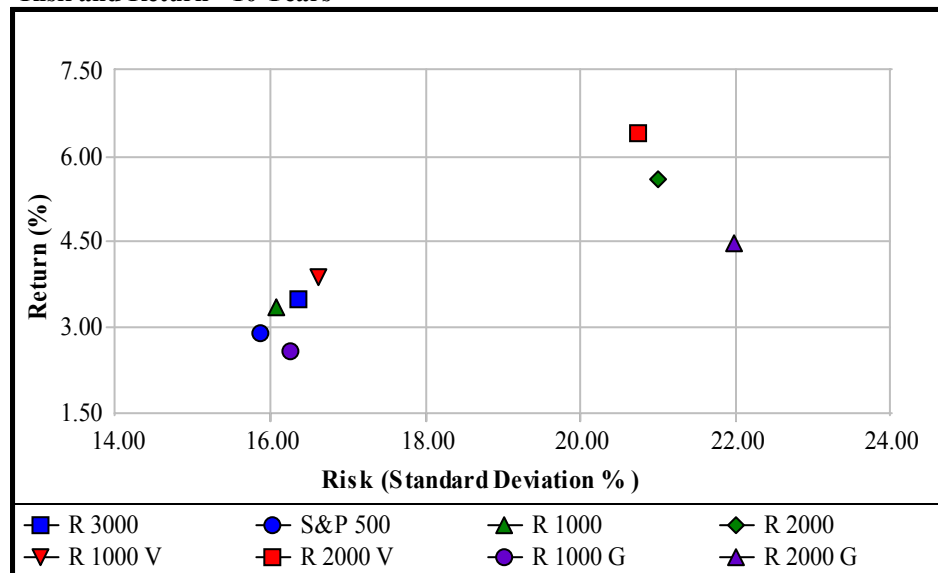
1 Year



5 Years



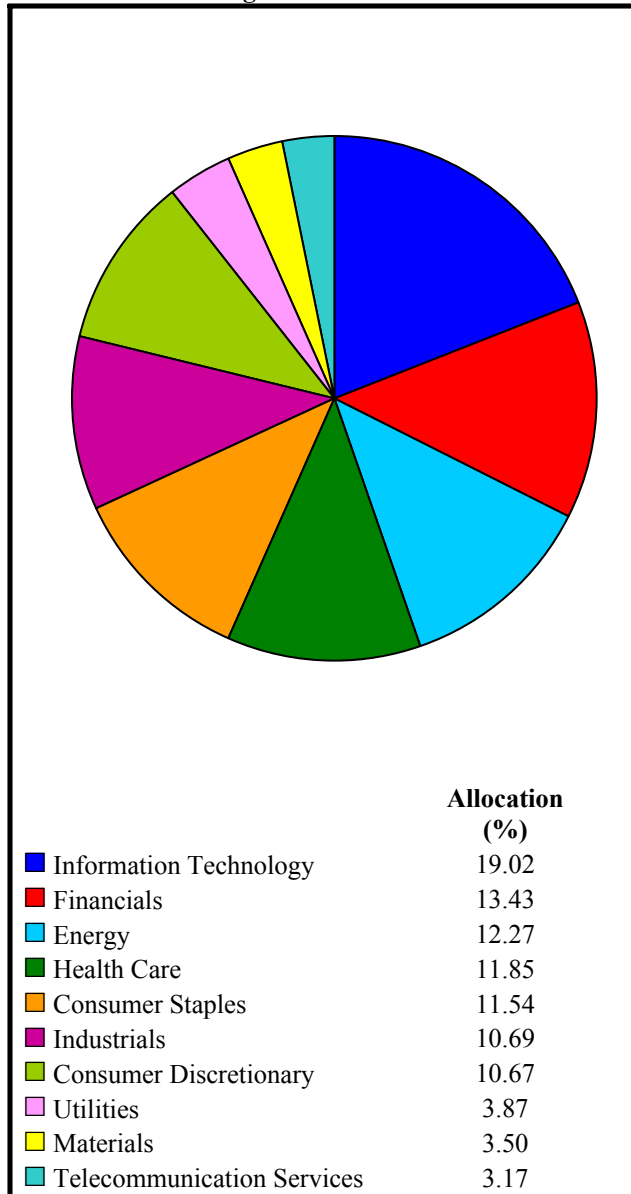
Risk and Return - 10 Years



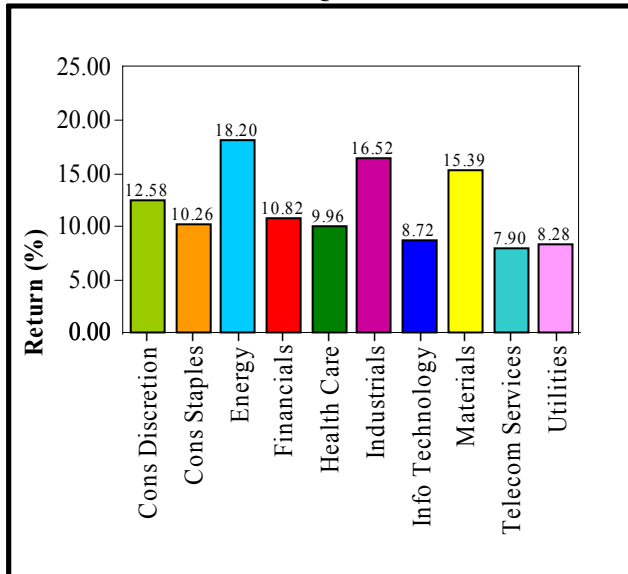
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

Domestic Equity Sector Weights and Returns As of December 31, 2011

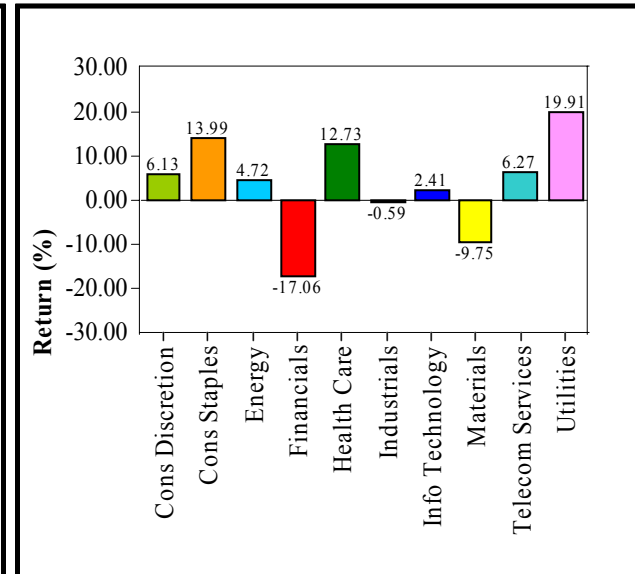
S&P 500 Sector Weights



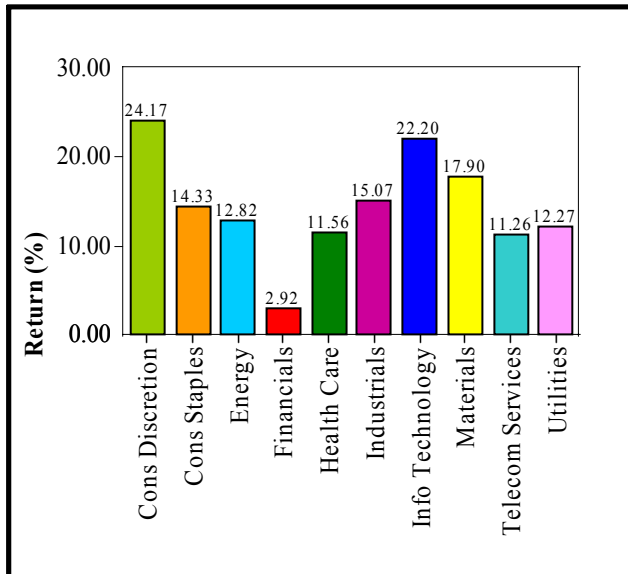
S&P 500 Sector Returns - QTD



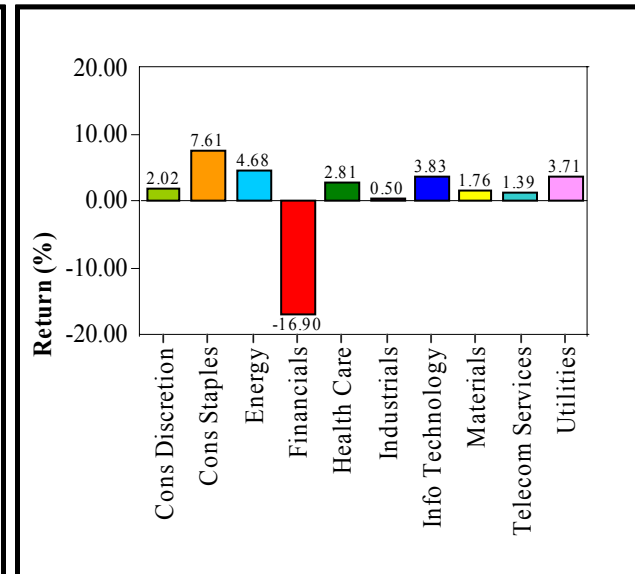
S&P 500 Sector Returns - 1 Year



S&P 500 Sector Returns - 3 Years



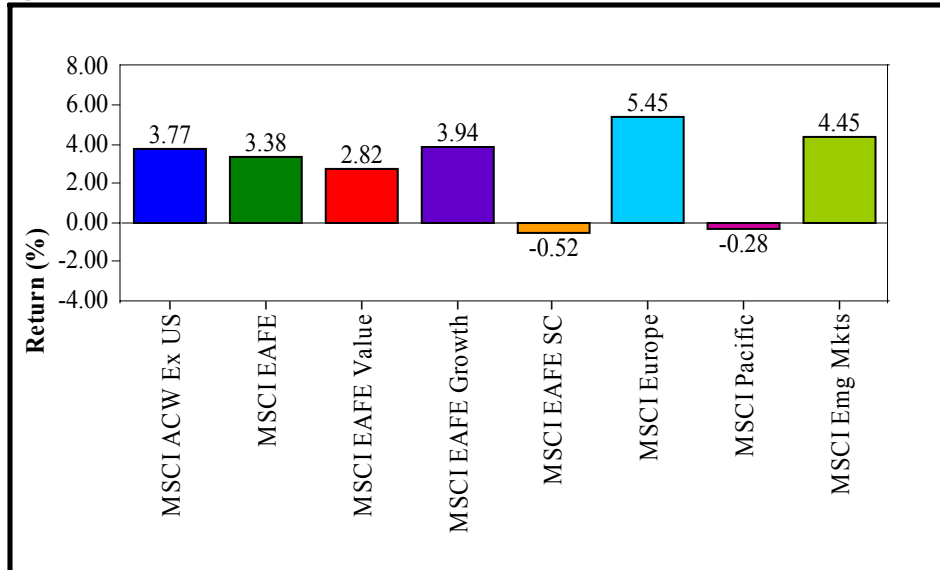
S&P 500 Sector Returns - 5 Years



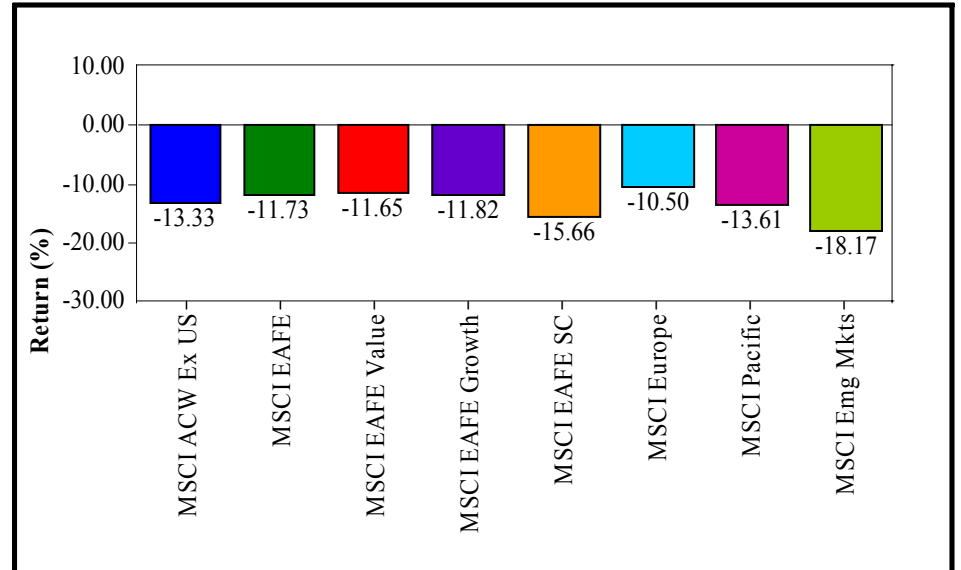
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns provided by MPI Stylus, allocations provided by Standard & Poor's.

**International Equity Market Performance and Risk
As of December 31, 2011**

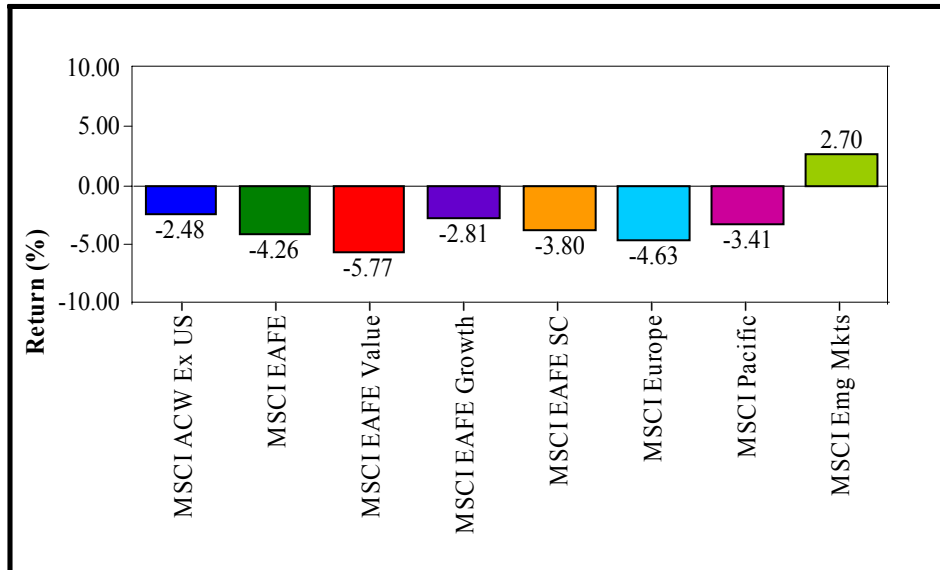
QTD



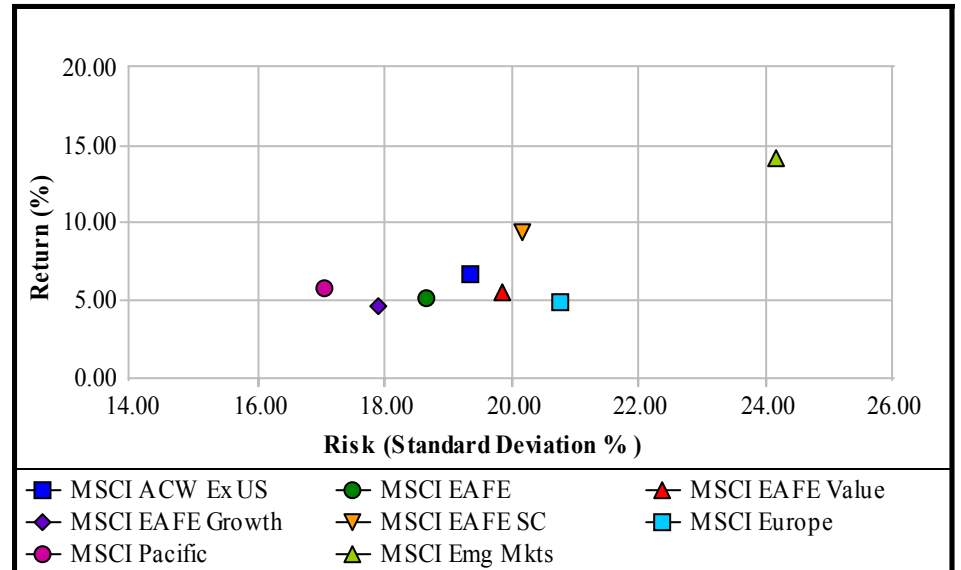
1 Year



5 Years



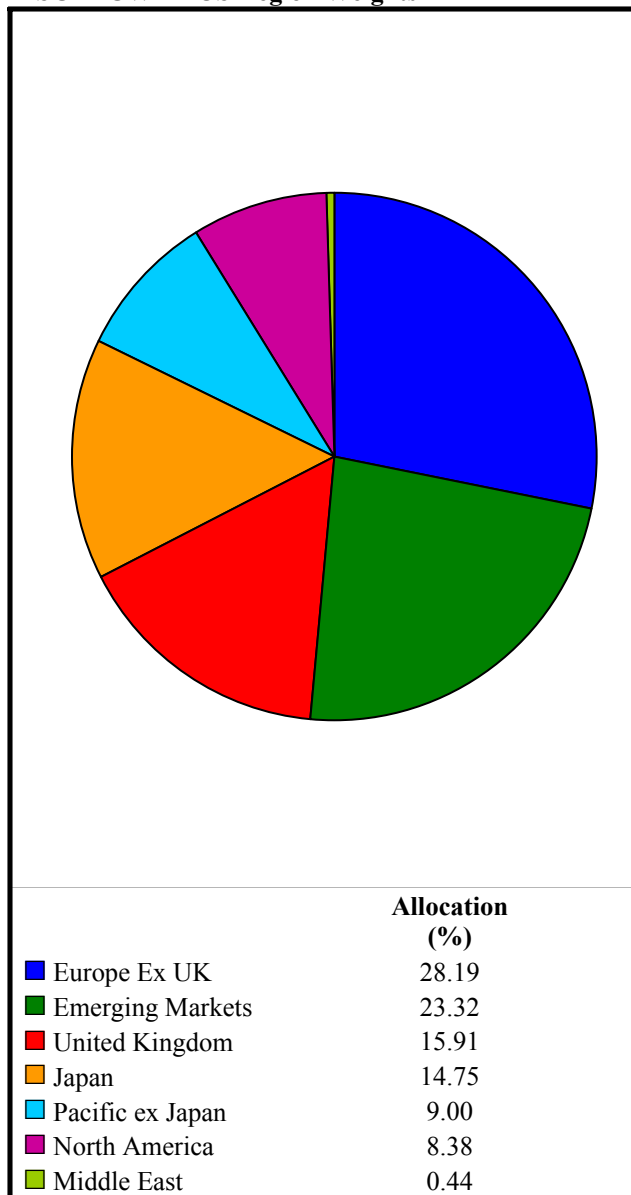
Risk and Return - 10 Years



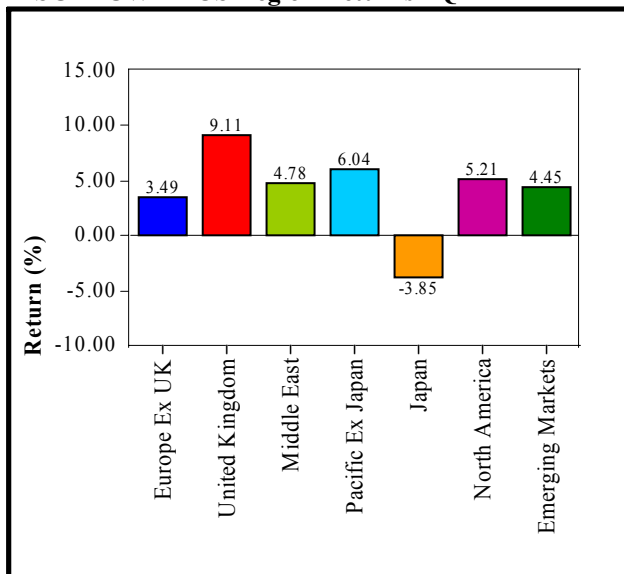
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All returns are shown gross of foreign taxes on dividends.

**International Equity Region Weights and Returns
As of December 31, 2011**

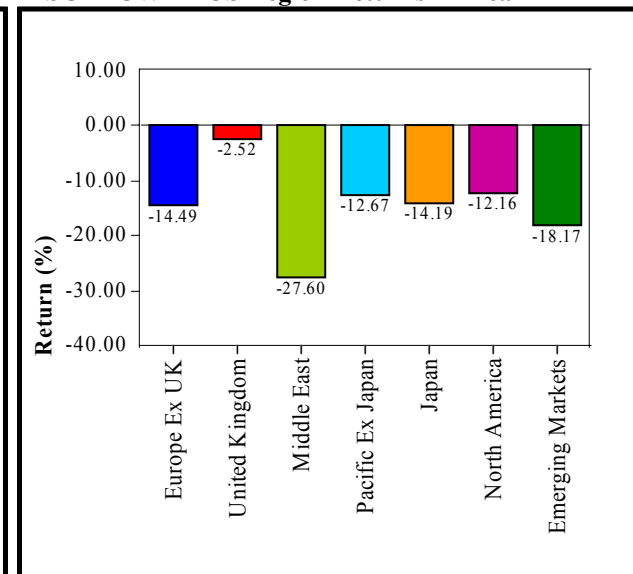
MSCI ACW Ex US Region Weights



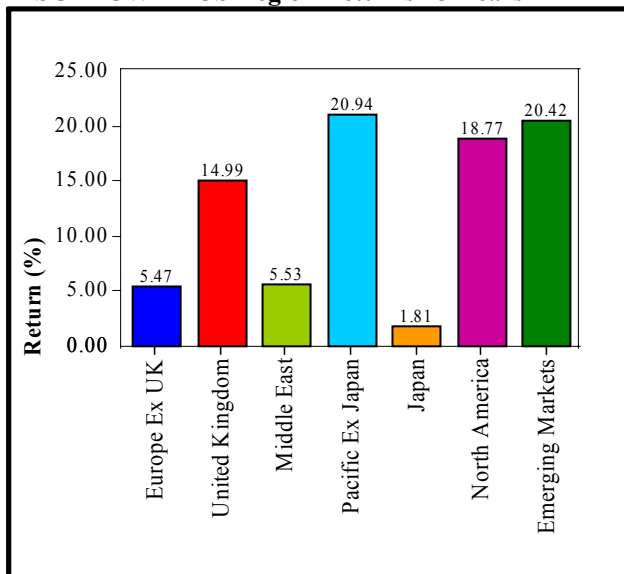
MSCI ACW Ex US Region Returns - QTD



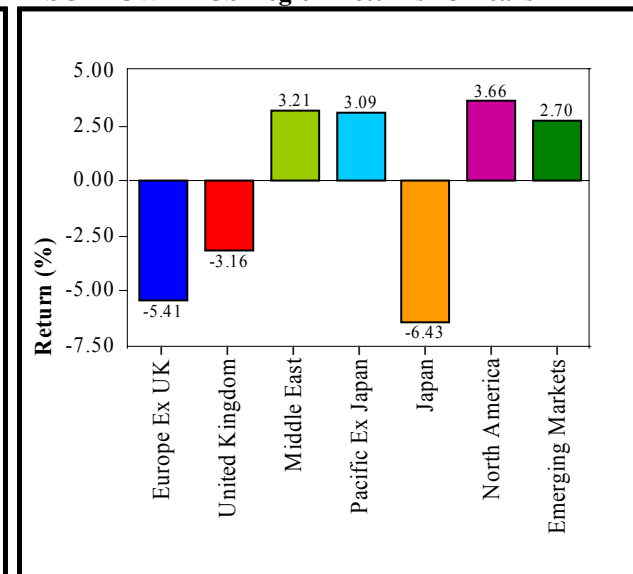
MSCI ACW Ex US Region Returns - 1 Year



MSCI ACW Ex US Region Returns - 3 Years



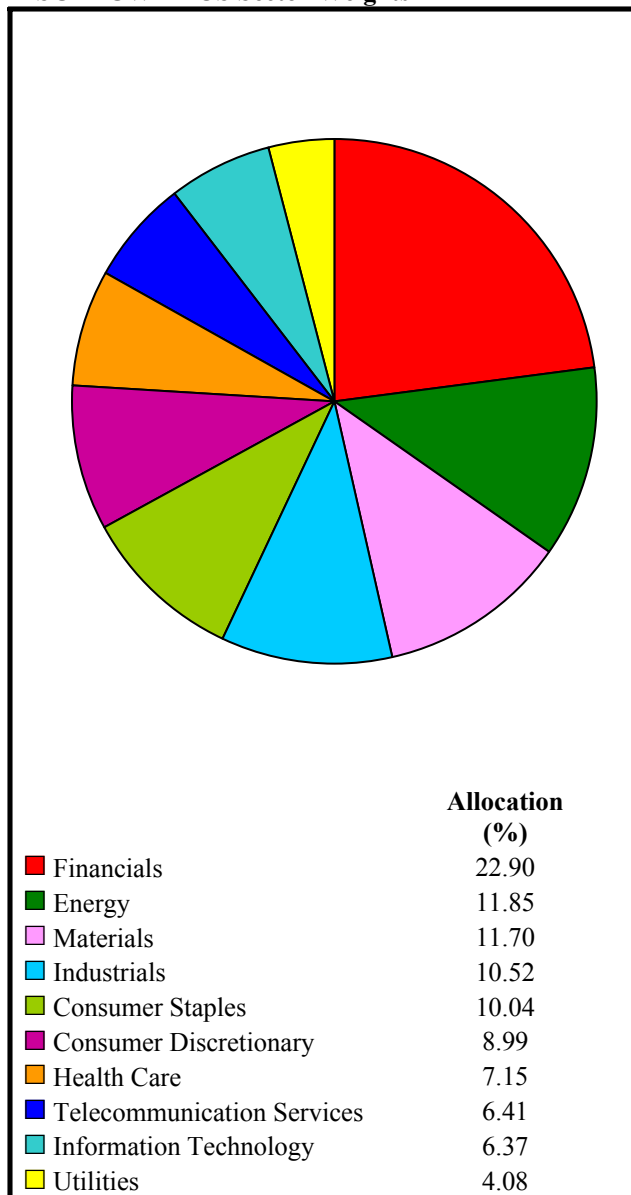
MSCI ACW Ex US Region Returns - 5 Years



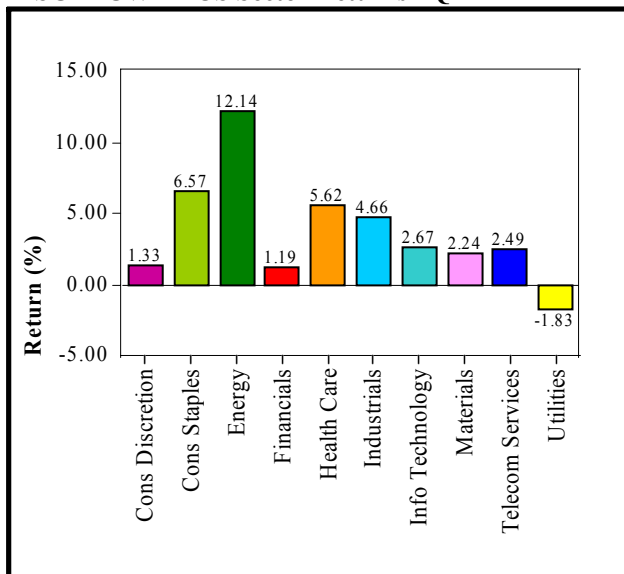
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns and allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

**International Equity Sector Weights and Returns
As of December 31, 2011**

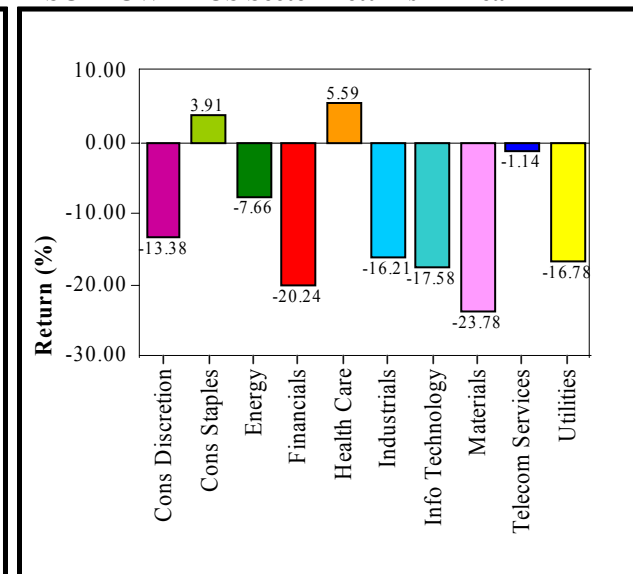
MSCI ACW Ex US Sector Weights



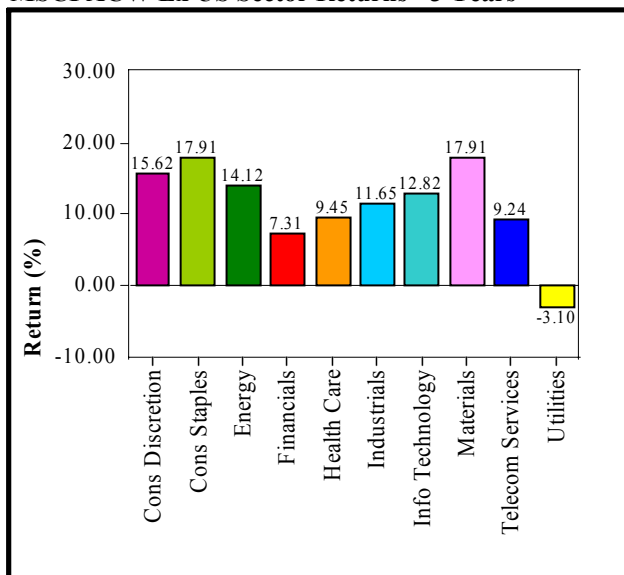
MSCI ACW Ex US Sector Returns - QTD



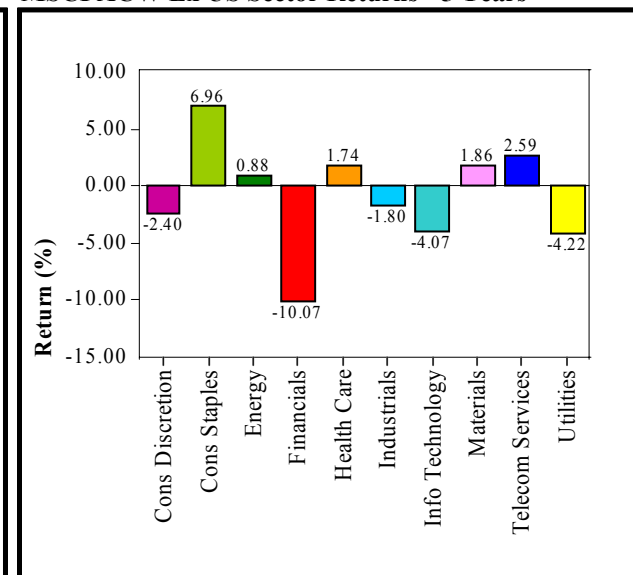
MSCI ACW Ex US Sector Returns - 1 Year



MSCI ACW Ex US Sector Returns - 3 Years



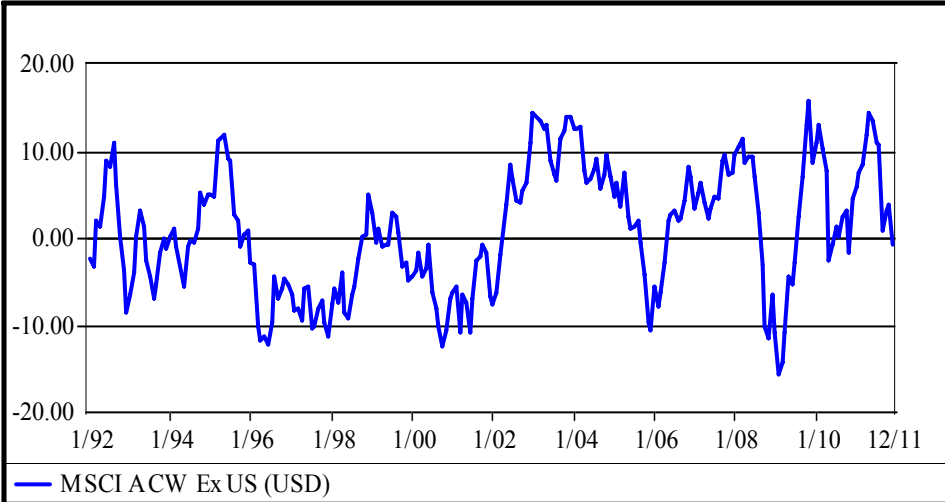
MSCI ACW Ex US Sector Returns - 5 Years



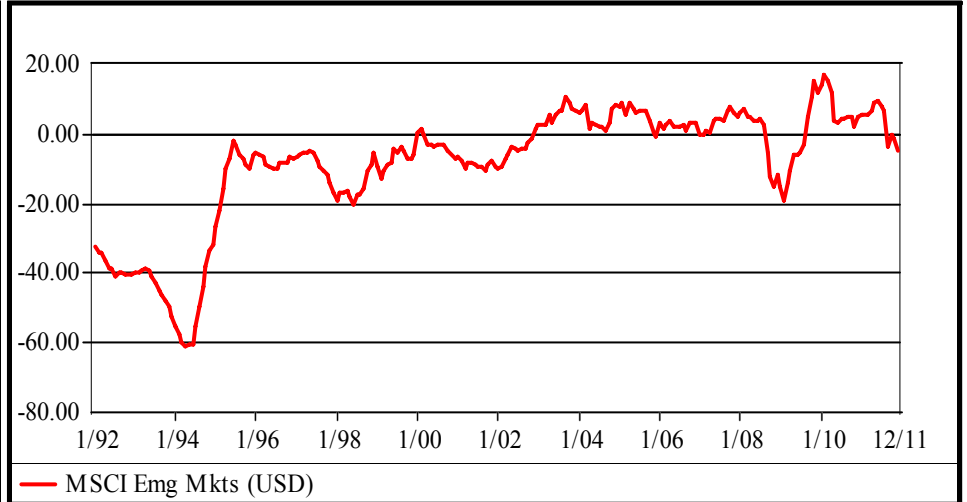
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns and allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

**Effect of Currency on International Equity Performance
As of December 31, 2011**

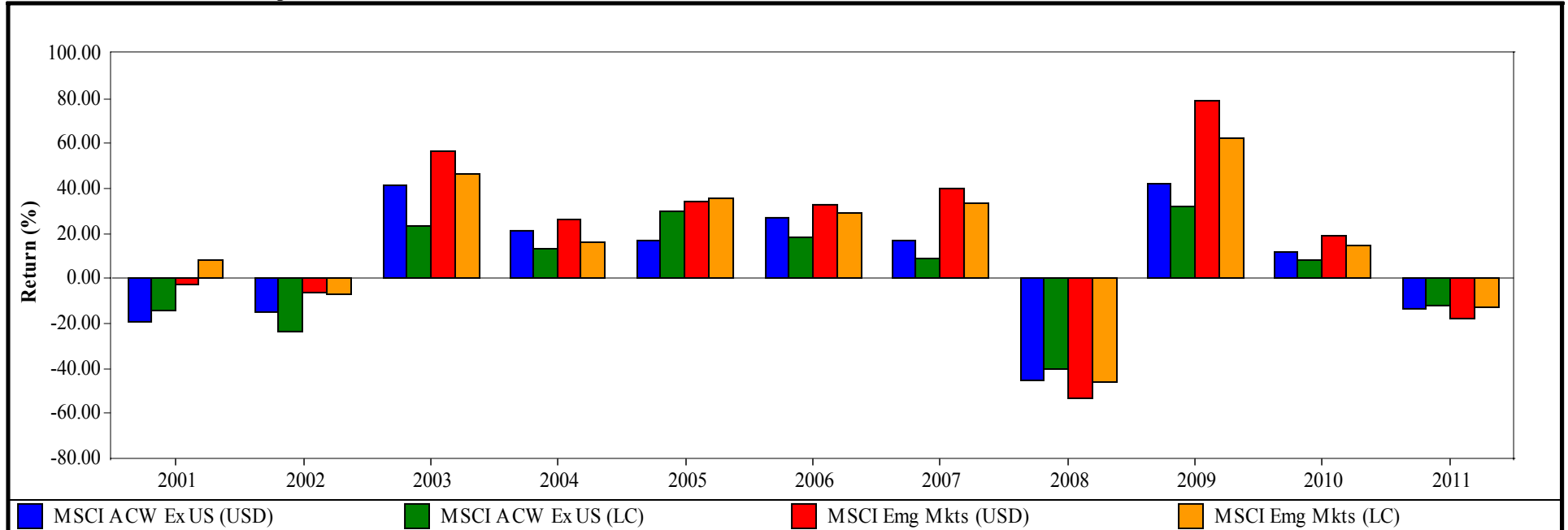
Excess Return vs. Local Currency Index - Rolling 1-Year Periods



Excess Return vs. Local Currency Index - Rolling 1-Year Periods



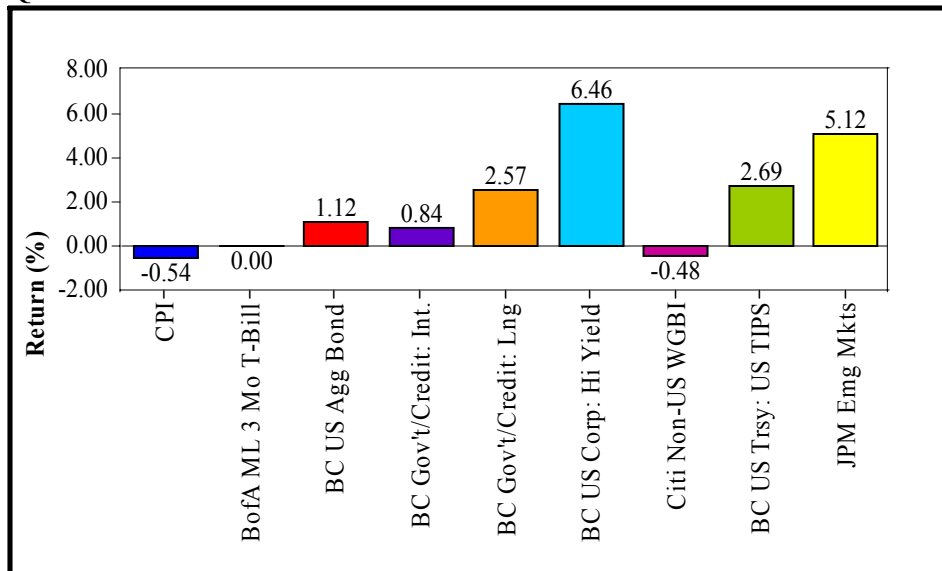
Calendar Year Returns Comparison



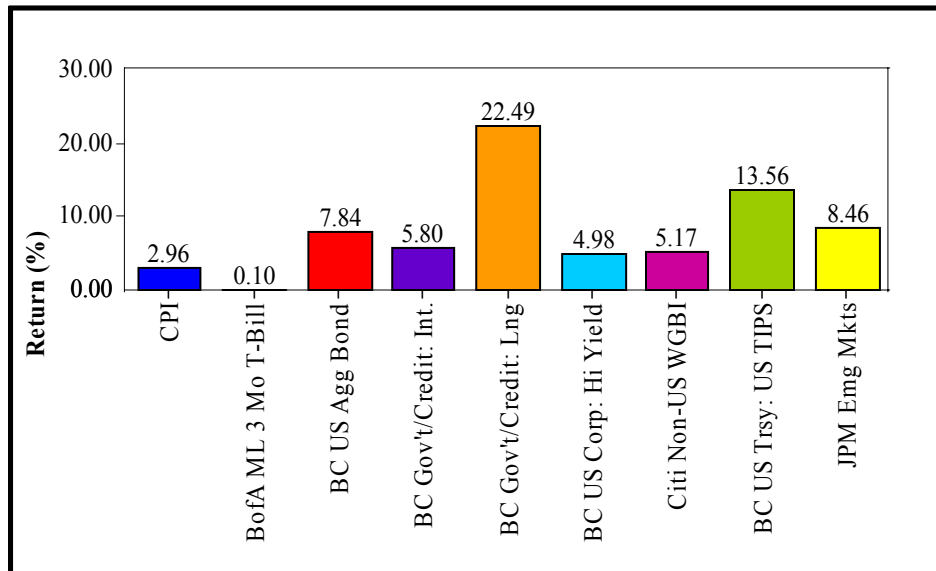
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All returns are shown gross of foreign taxes on dividends.

Fixed Income Market Performance and Risk As of December 31, 2011

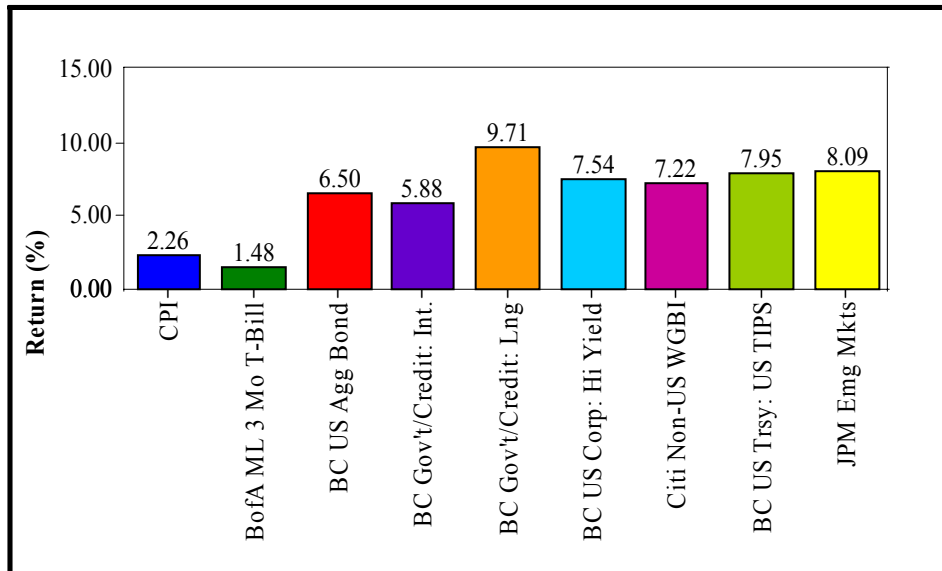
QTD



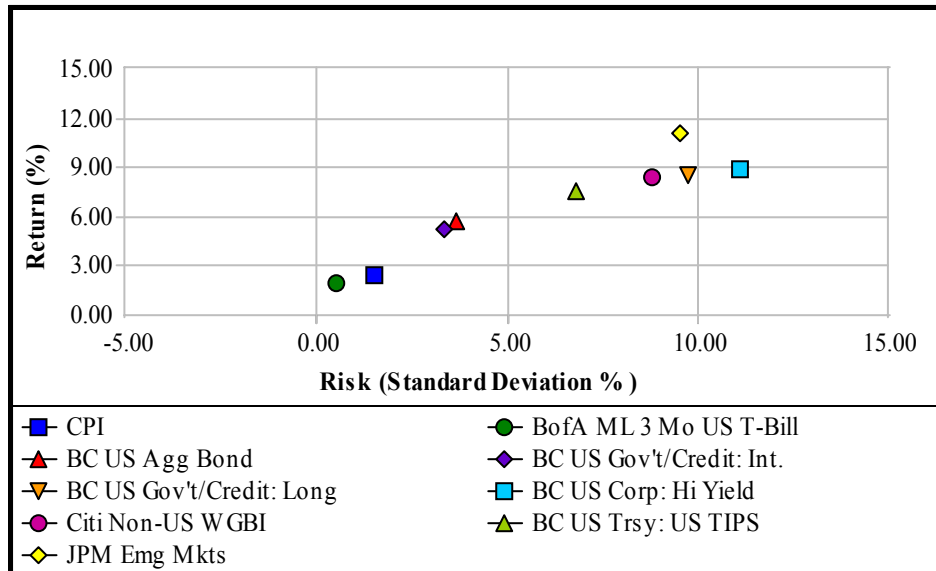
1 Year



5 Years



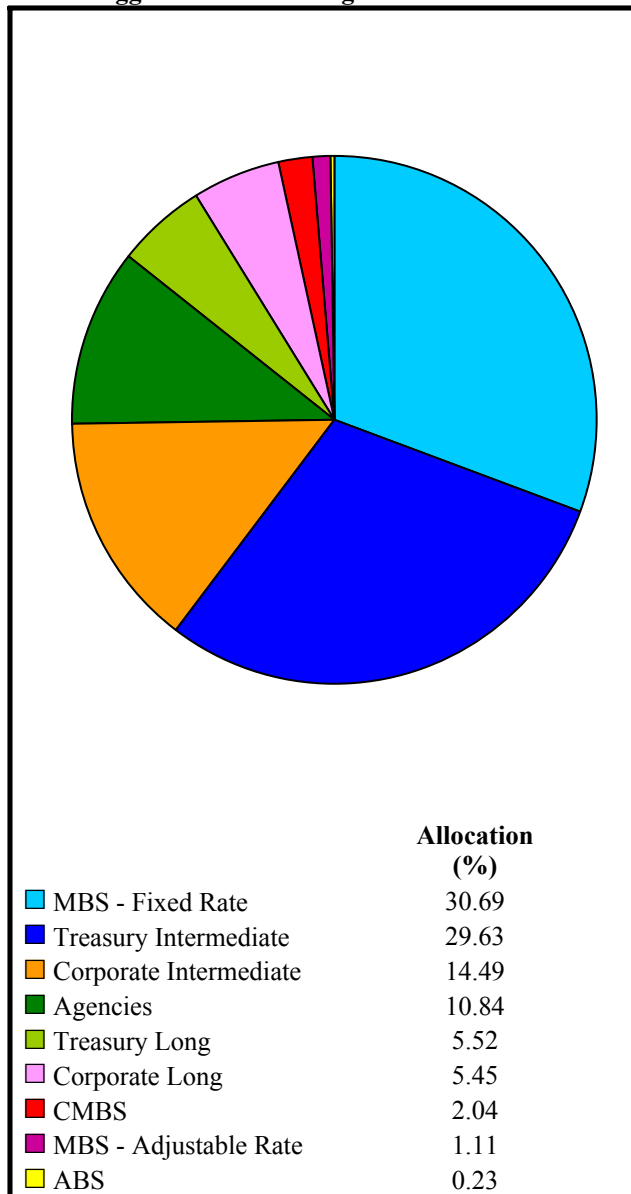
Risk and Return - 10 Years



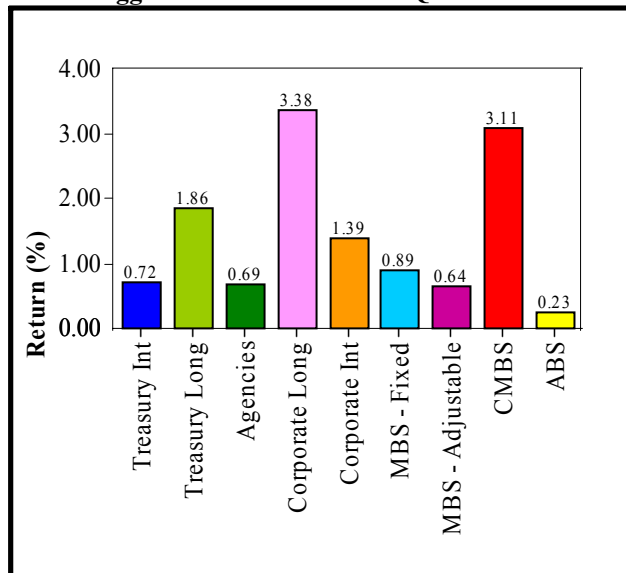
Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

**Domestic Fixed Income Sector Weights and Returns
As of December 31, 2011**

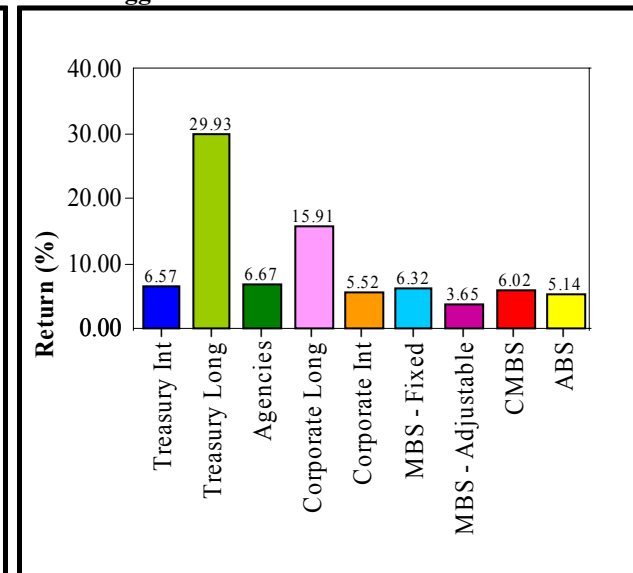
BC US Agg Bond Sector Weights



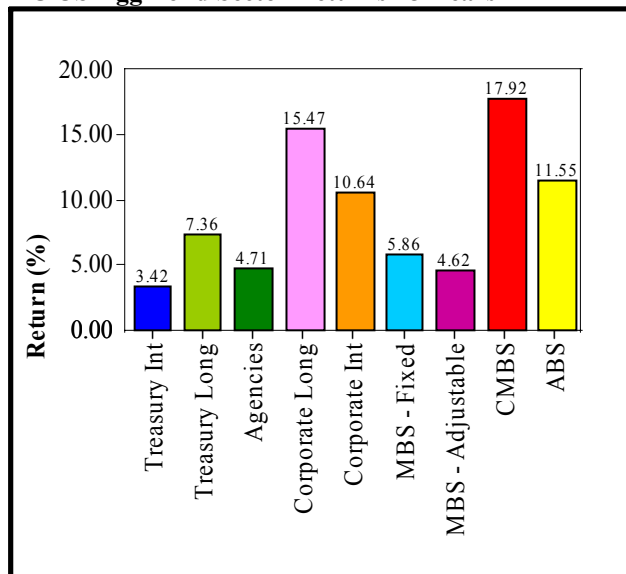
BC US Agg Bond Sector Returns - QTD



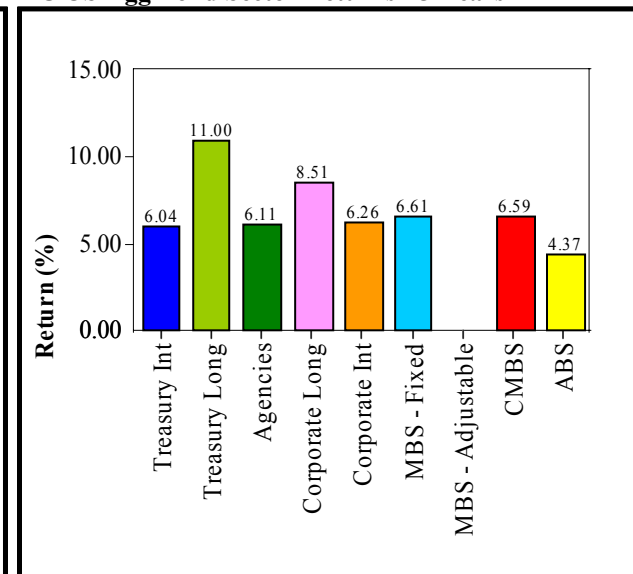
BC US Agg Bond Sector Returns - 1 Year



BC US Agg Bond Sector Returns - 3 Years



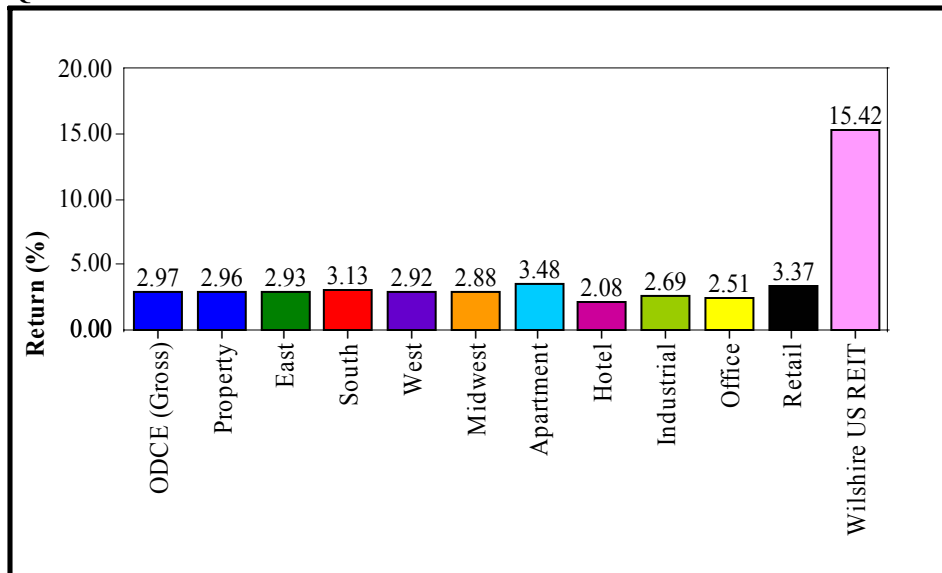
BC US Agg Bond Sector Returns - 5 Years



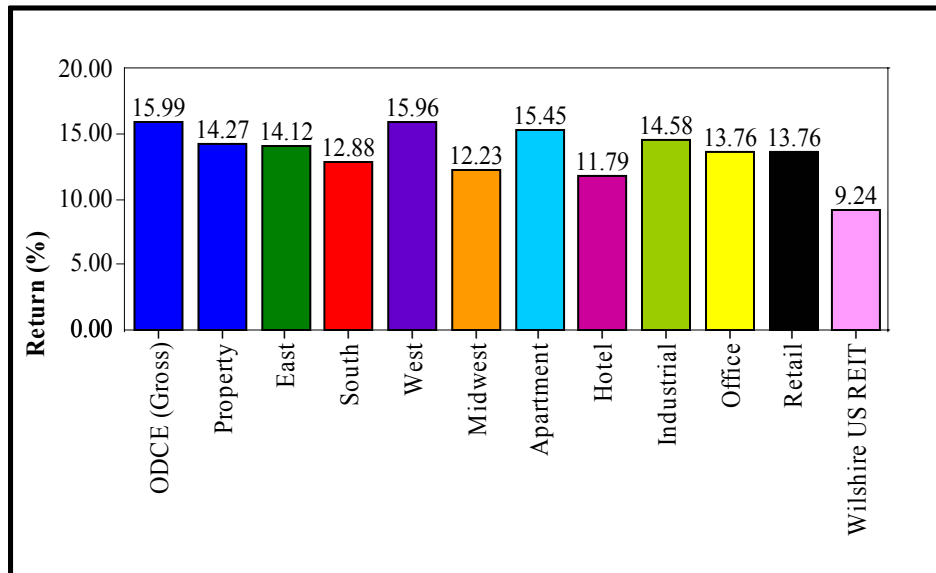
Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Returns and allocations provided by Barclays Capital Indices.

**Real Estate Market Performance and Risk
As of December 31, 2011**

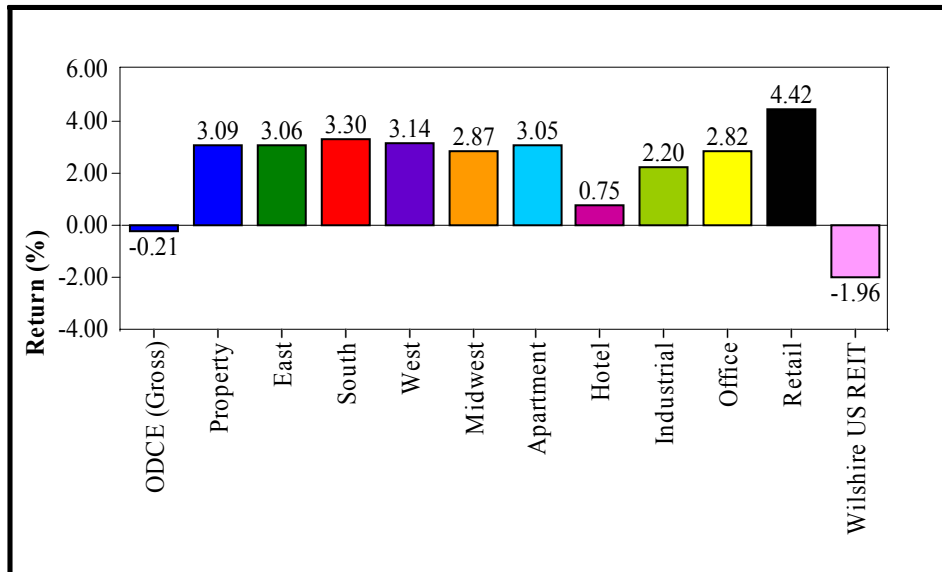
QTD



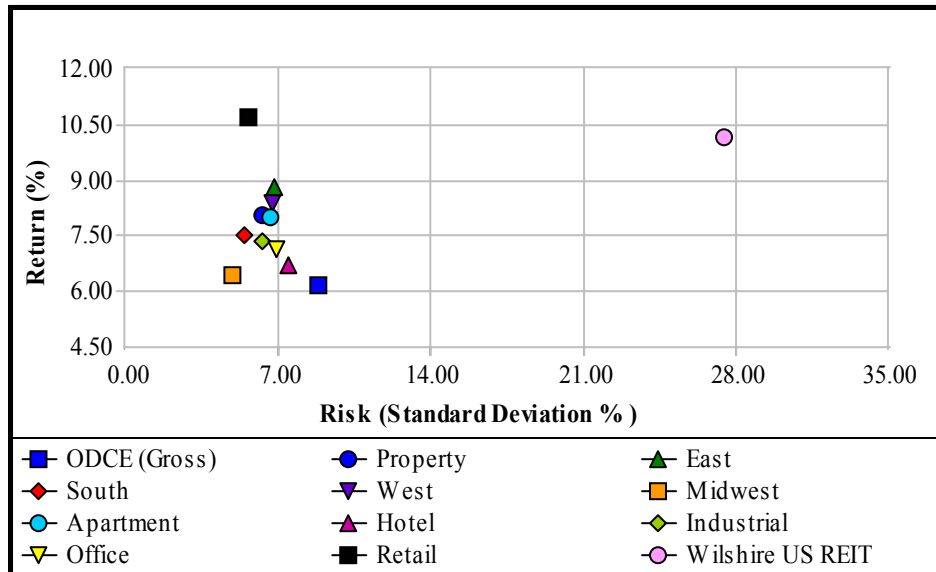
1 Year



5 Years



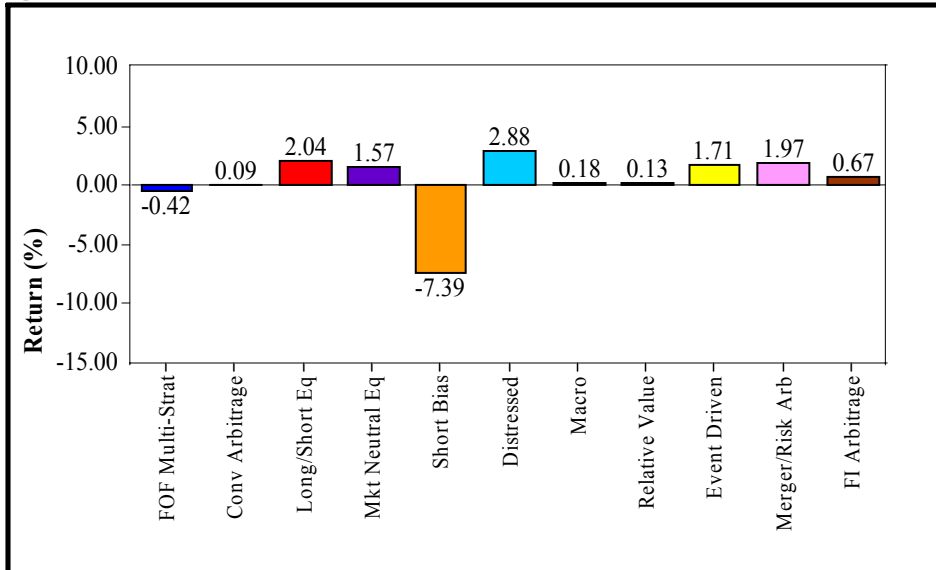
Risk and Return - 10 Years



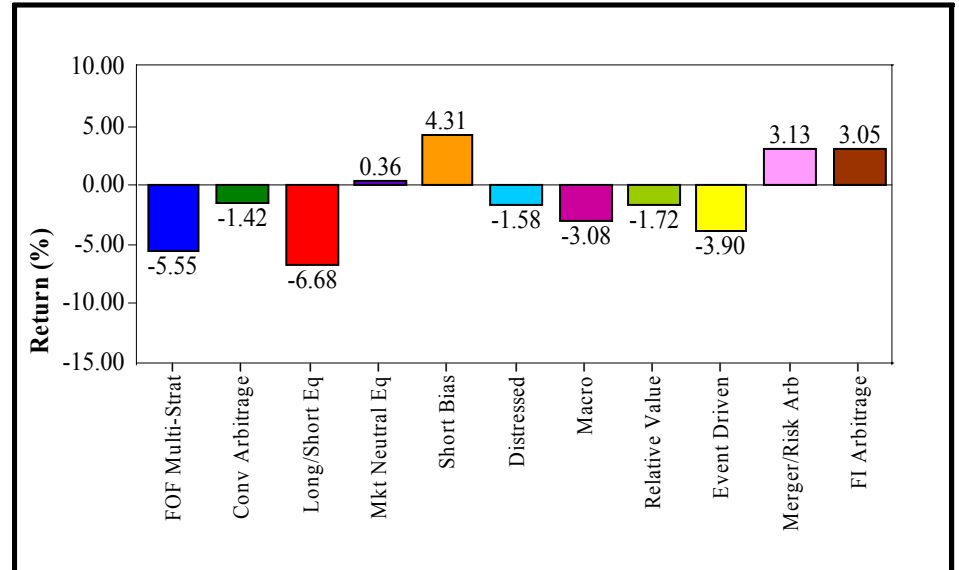
Performance is annualized for periods greater than one year. Calculation is based on quarterly periodicity.
All data shown represent NCREIF indices unless otherwise noted. Region and sector data represent the Property Index.

Hedge Fund Market Performance and Risk As of December 31, 2011

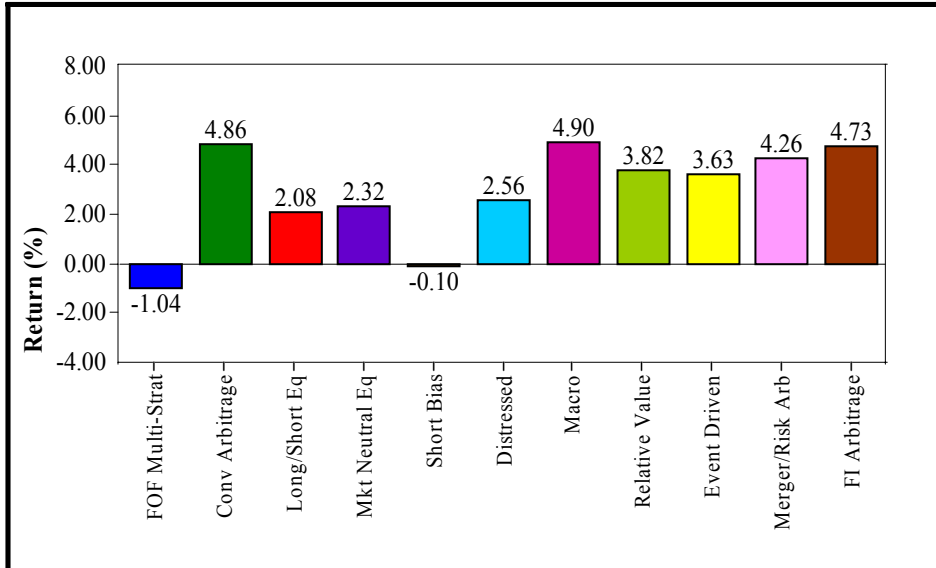
QTD



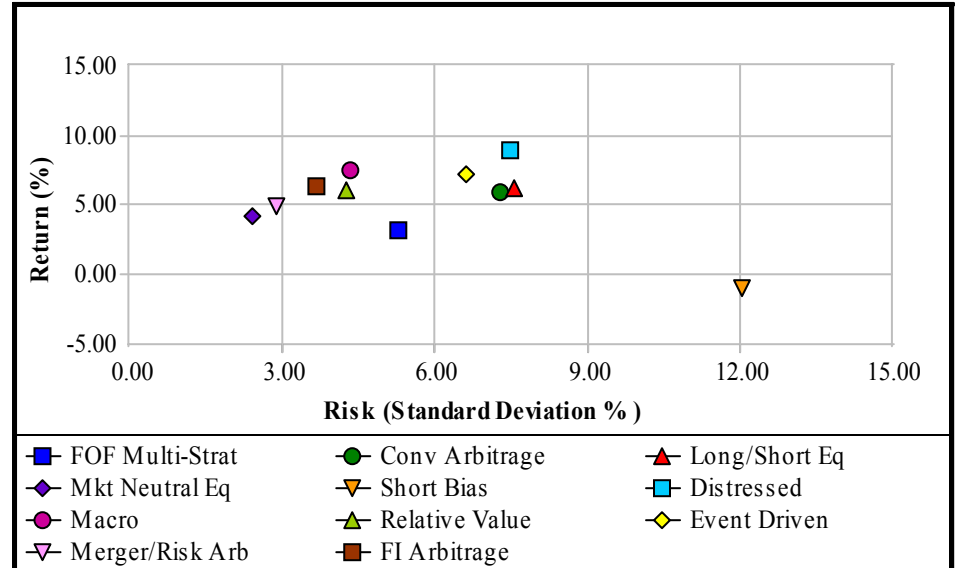
1 Year



5 Years



Risk and Return - 10 Years



Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All data shown represent HFN indices, net of fees. Values are preliminary and subject to change.

Universe Characteristics

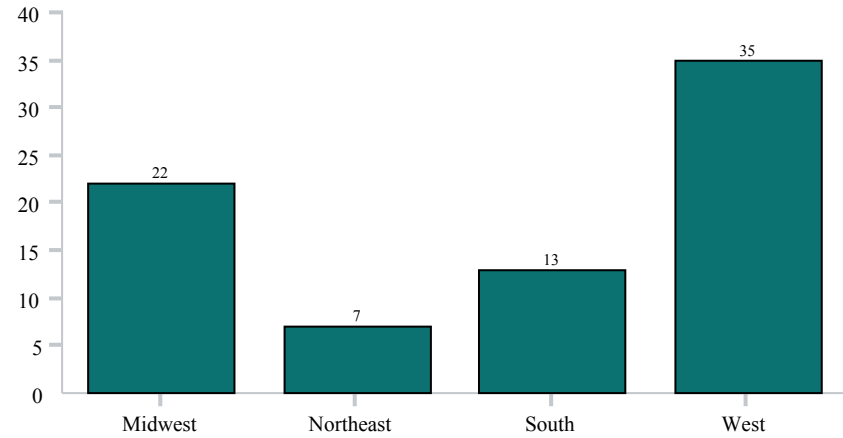
As of December 31, 2011

Fund Number: 105

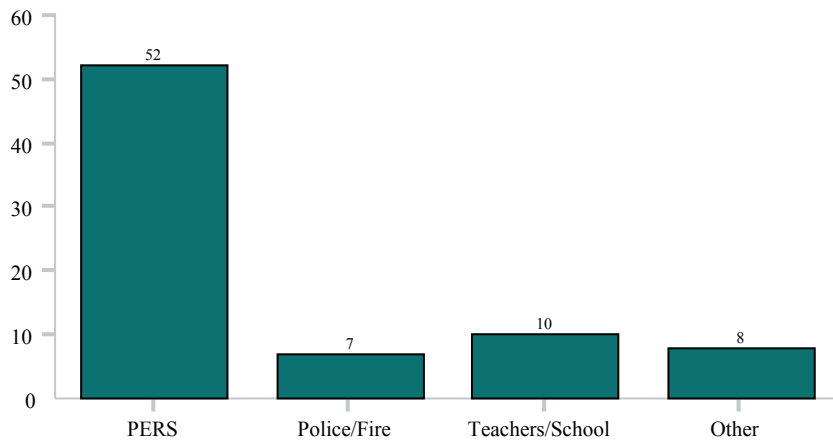
Asset Size



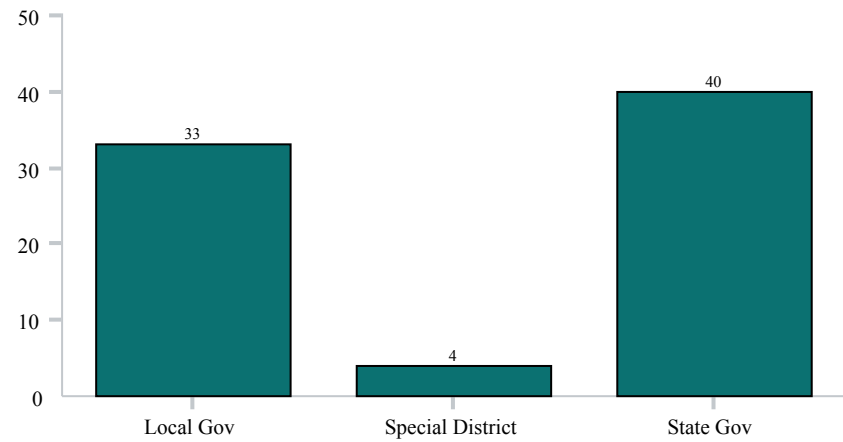
Geographical Distribution



Fund Classification



Fund Type



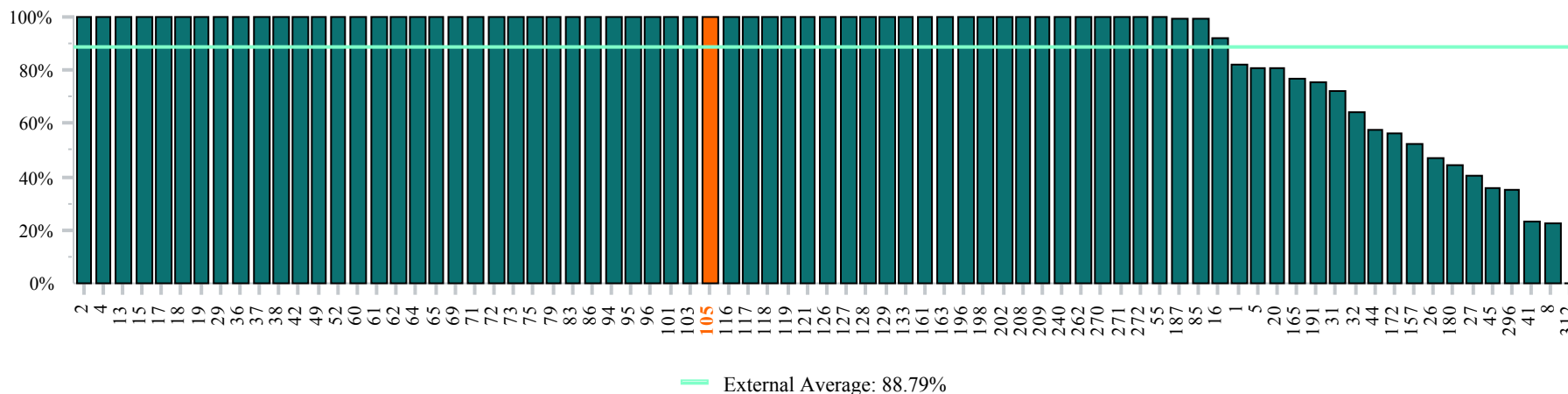
■ Universe: 77 funds

Portfolio Management

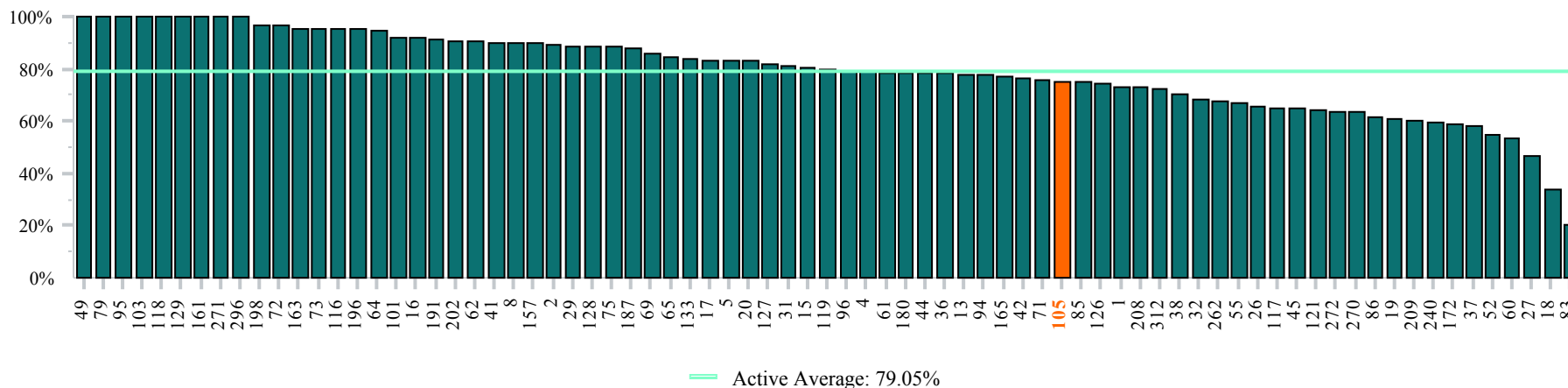
Percentage Externally Managed & Percentage Actively Managed As of December 31, 2011

Fund Number: 105

External Management



Active Management



Portfolio Management Statistics

As of December 31, 2011

Fund Number: 105

Asset Range	Percentage Actively Managed	Percentage Passively Managed	Percentage Externally Managed	Percentage Internally Managed
Over \$20B	73.94%	26.06%	68.47%	31.53%
\$10B-\$20B	76.61%	23.39%	85.94%	14.06%
\$5B-\$10B	82.73%	17.27%	92.65%	7.35%
\$1B-\$5B	78.35%	21.65%	98.06%	1.94%
\$500mm-\$1B	79.23%	20.77%	99.94%	0.06%
Under \$500mm	88.06%	11.94%	100.00%	0.00%
Milwaukee ERS	75.05%	24.95%	100.00%	0.00%

Percentage of Portfolio	Active Management		External Management	
	Public Fund Universe	Milwaukee ERS	Public Fund Universe	Milwaukee ERS
90% to 100%	23	0	59	1
50% to 89%	51	1	10	0
10% to 49%	3	0	7	0
Less than 10%	0	0	1	0
Total Funds Reporting	77	1	77	1

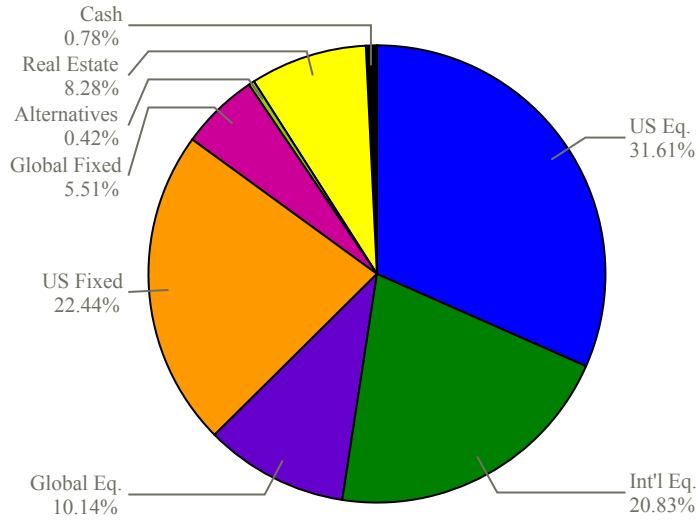
Asset Allocation

Milwaukee ERS vs. Average of All Funds

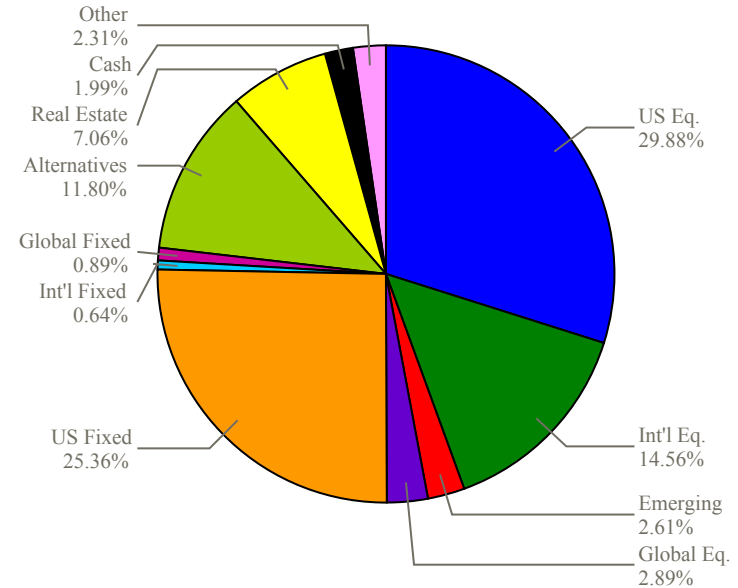
As of December 31, 2011

Fund Number: 105

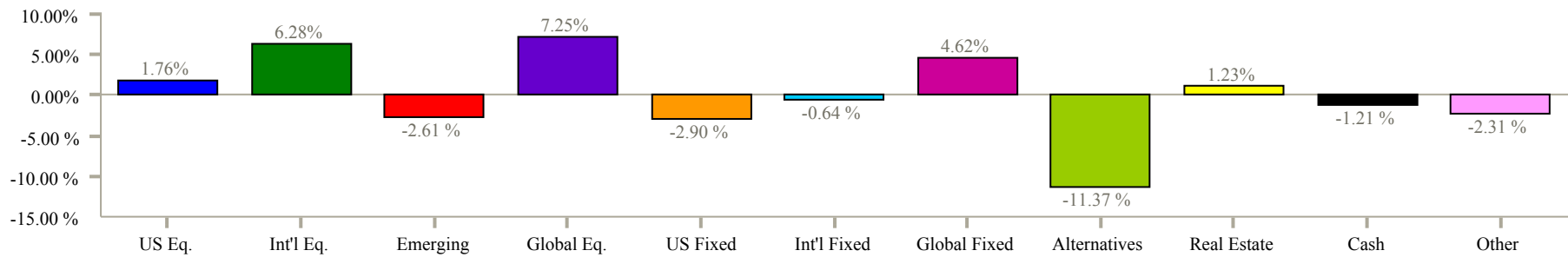
Milwaukee ERS



All Funds



Variance



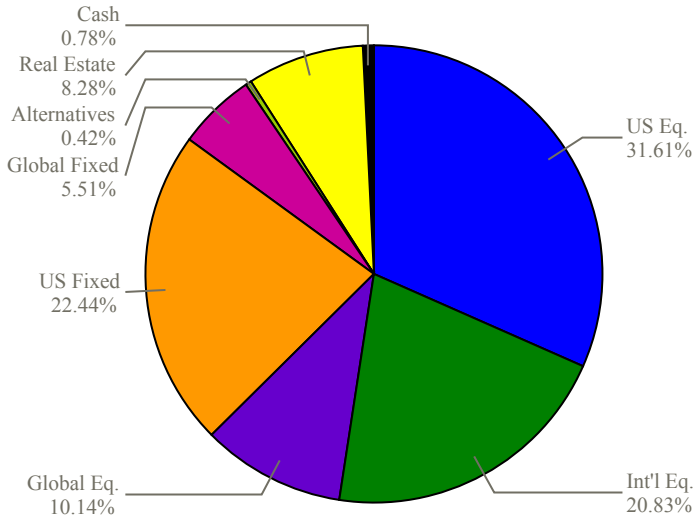
Allocations shown may not sum up to 100% exactly due to rounding.

Asset Allocation

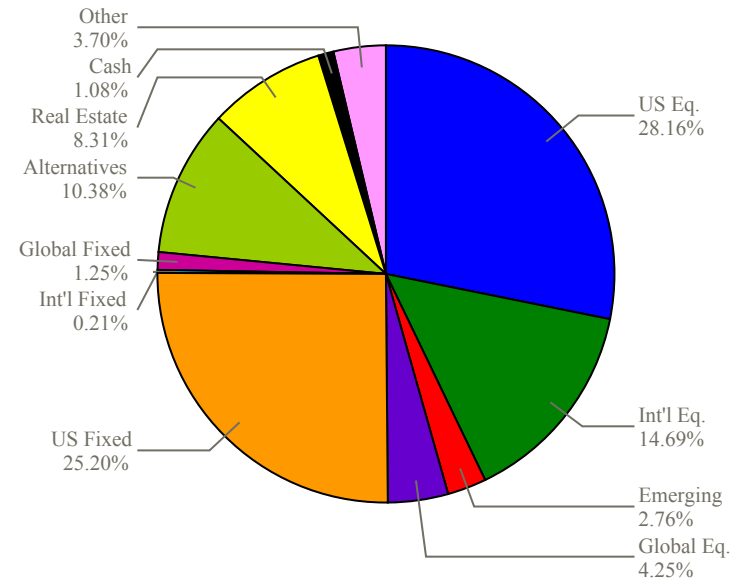
Milwaukee ERS vs. Average of Similar Size Funds
As of December 31, 2011

Fund Number: 105

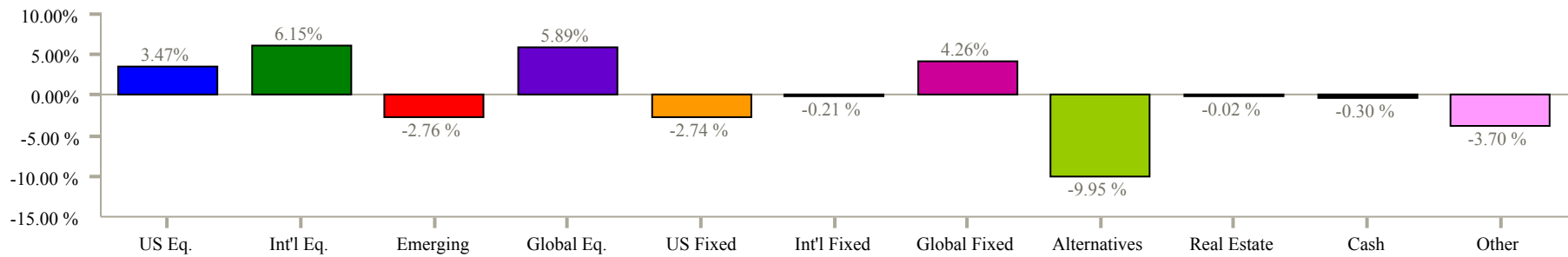
Milwaukee ERS



\$1-\$5 Billion



Variance



Allocations shown may not sum up to 100% exactly due to rounding.

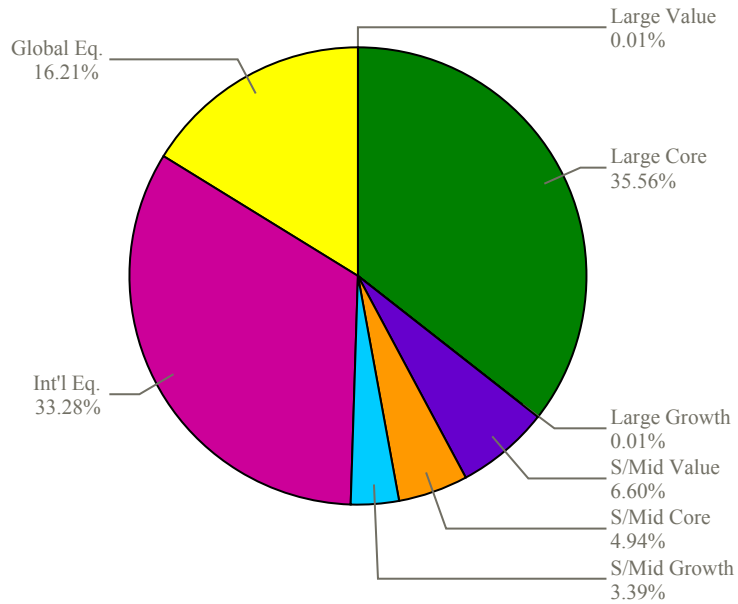
Equity Style Allocation

Milwaukee ERS vs. Average of All Funds

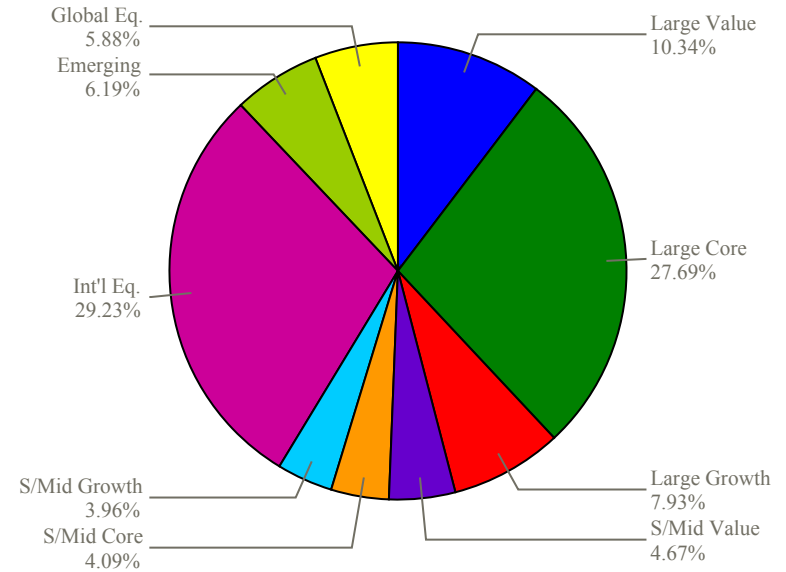
As of December 31, 2011

Fund Number: 105

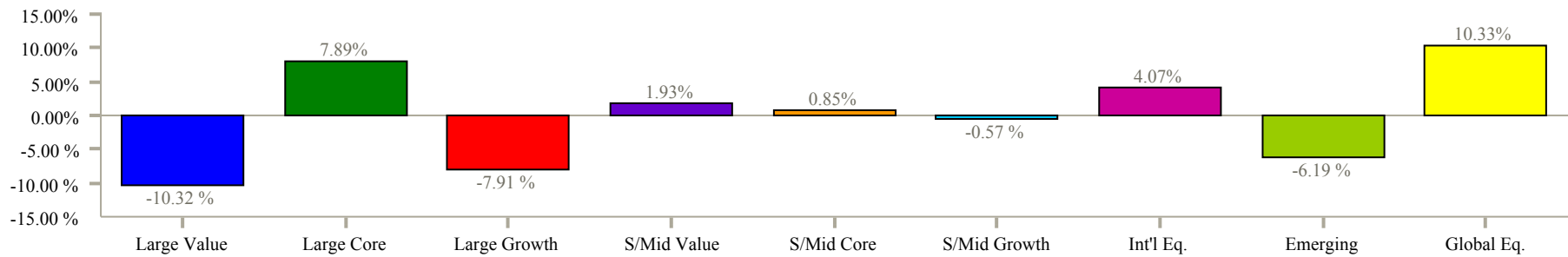
Milwaukee ERS



All Funds



Variance



Allocations shown may not sum up to 100% exactly due to rounding.

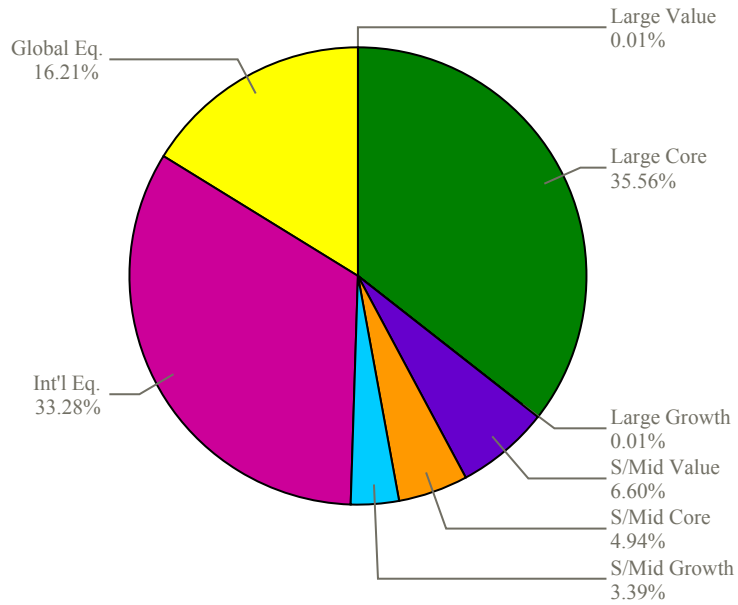
Equity Style Allocation

Milwaukee ERS vs. Average of Similar Size Funds

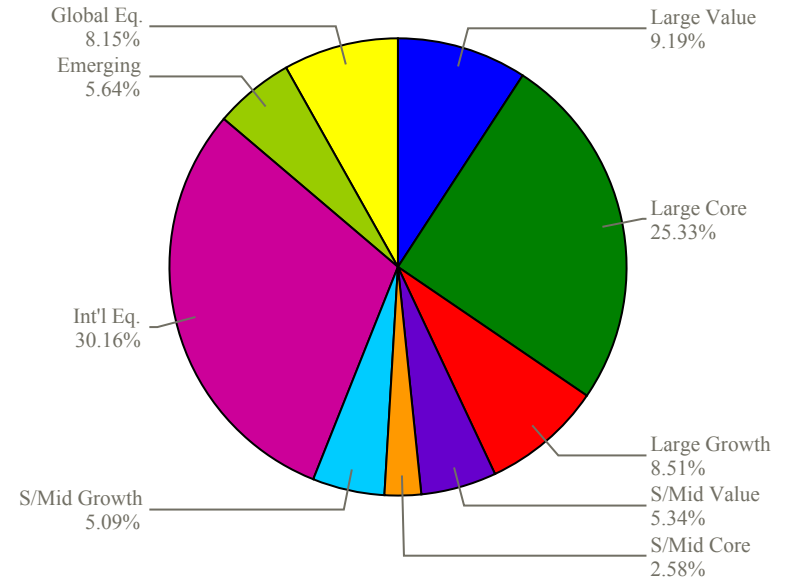
As of December 31, 2011

Fund Number: 105

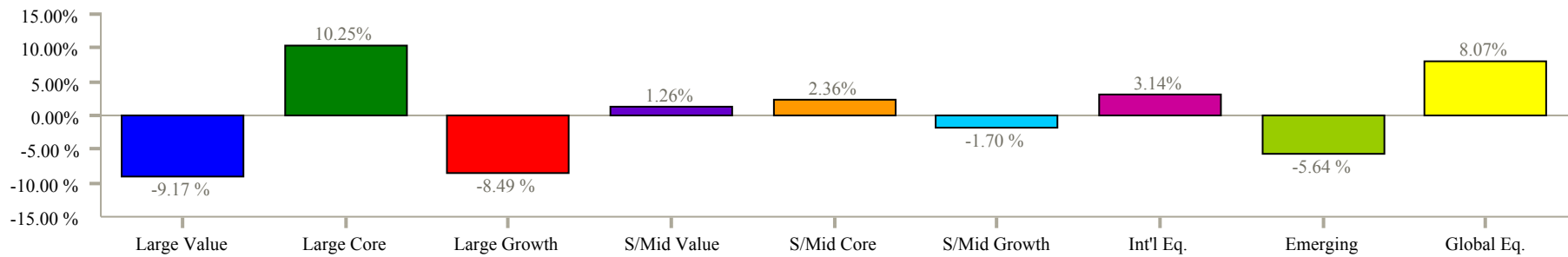
Milwaukee ERS



\$1-\$5 Billion



Variance



Allocations shown may not sum up to 100% exactly due to rounding.

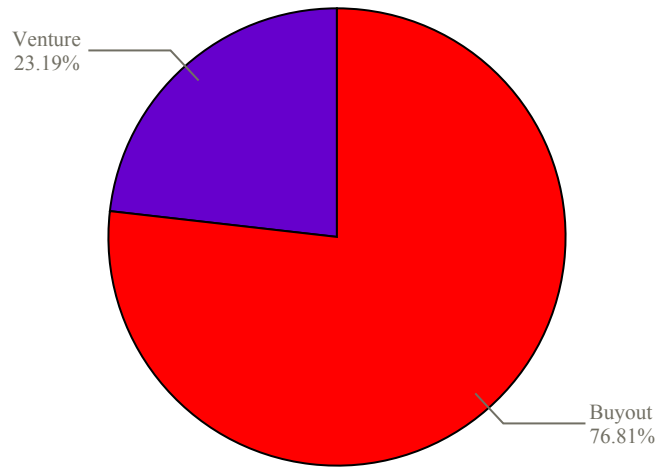
Alternatives Style Allocation

Milwaukee ERS vs. Average of All Funds

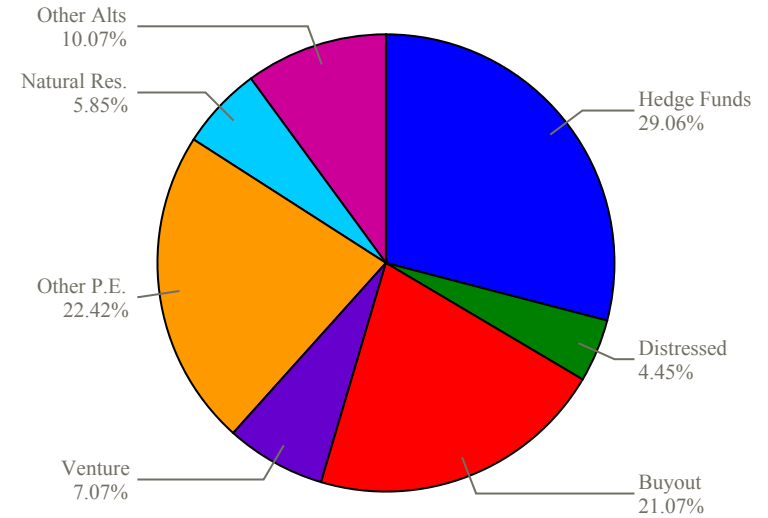
As of December 31, 2011

Fund Number: 105

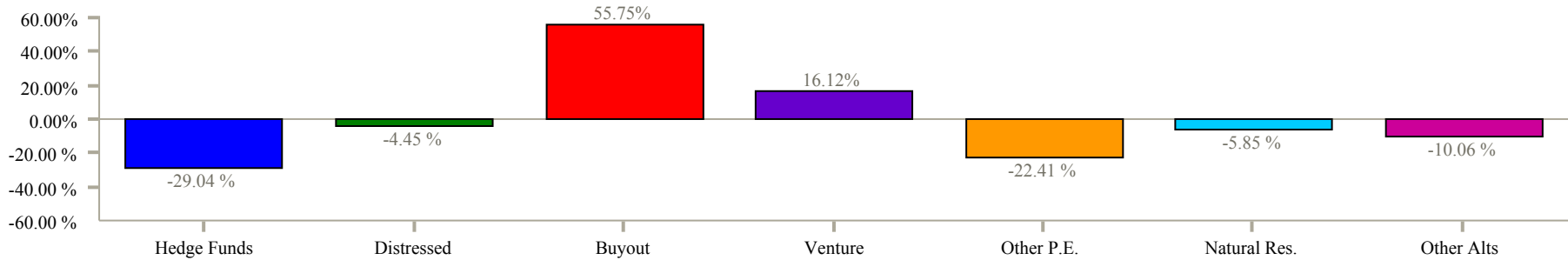
Milwaukee ERS



All Funds



Variance



Allocations shown may not sum up to 100% exactly due to rounding.

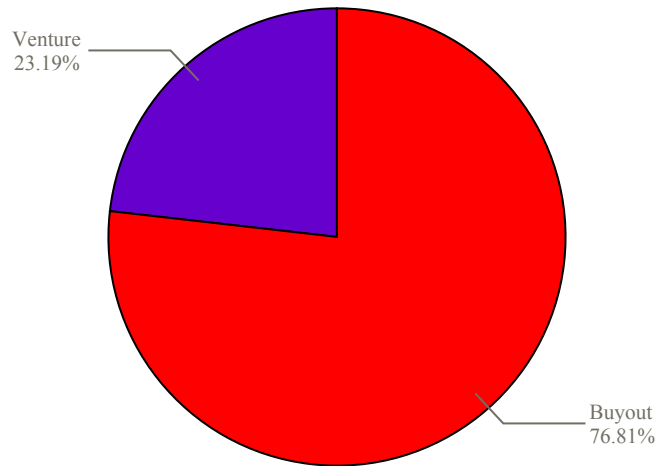
Alternatives Style Allocation

Milwaukee ERS vs. Average of Similar Size Funds

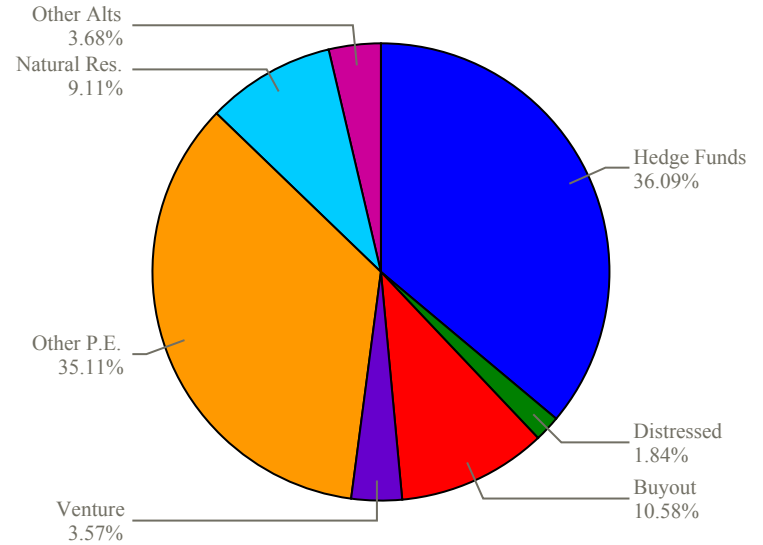
As of December 31, 2011

Fund Number: 105

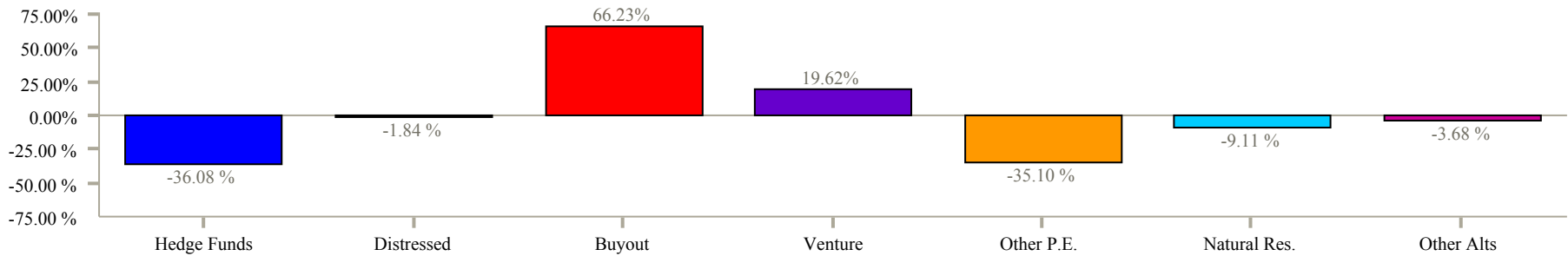
Milwaukee ERS



\$1-\$5 Billion



Variance



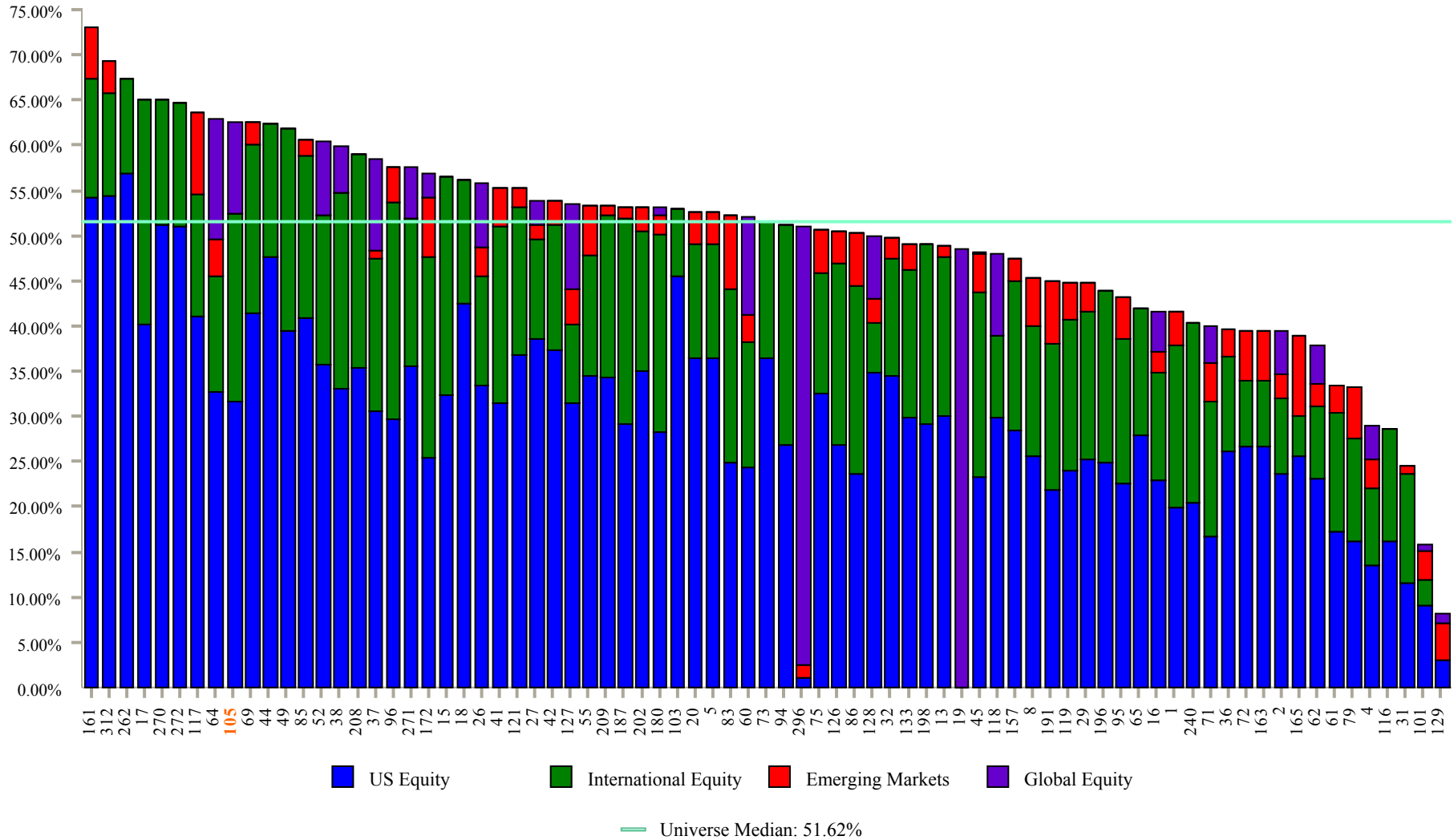
Allocations shown may not sum up to 100% exactly due to rounding.

Equity Style Allocation

As of December 31, 2011

Fund Number: 105

77 of 77 funds invest in Equity

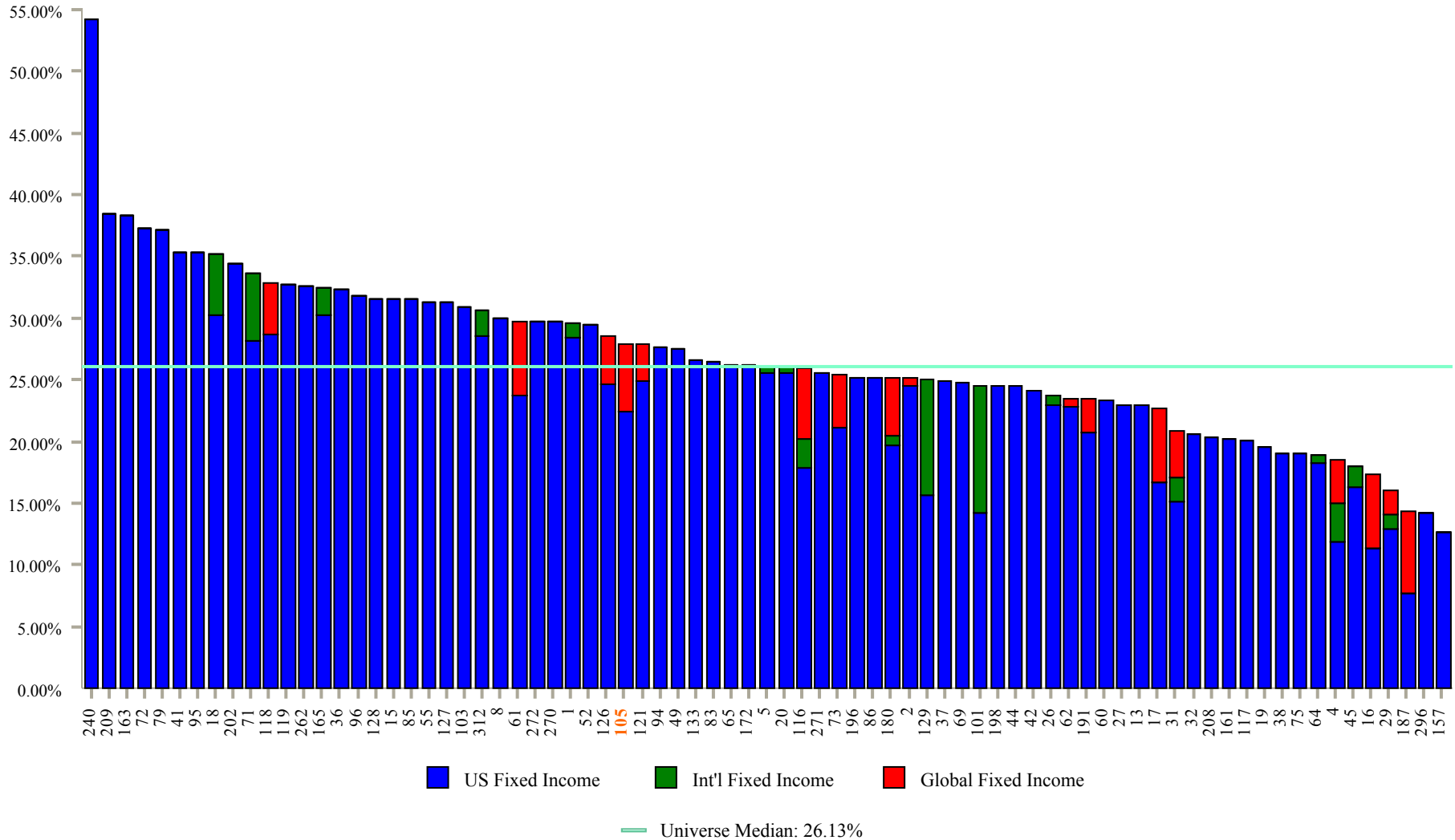


Fixed Income Style Allocation

As of December 31, 2011

Fund Number: 105

77 of 77 funds invest in Fixed Income

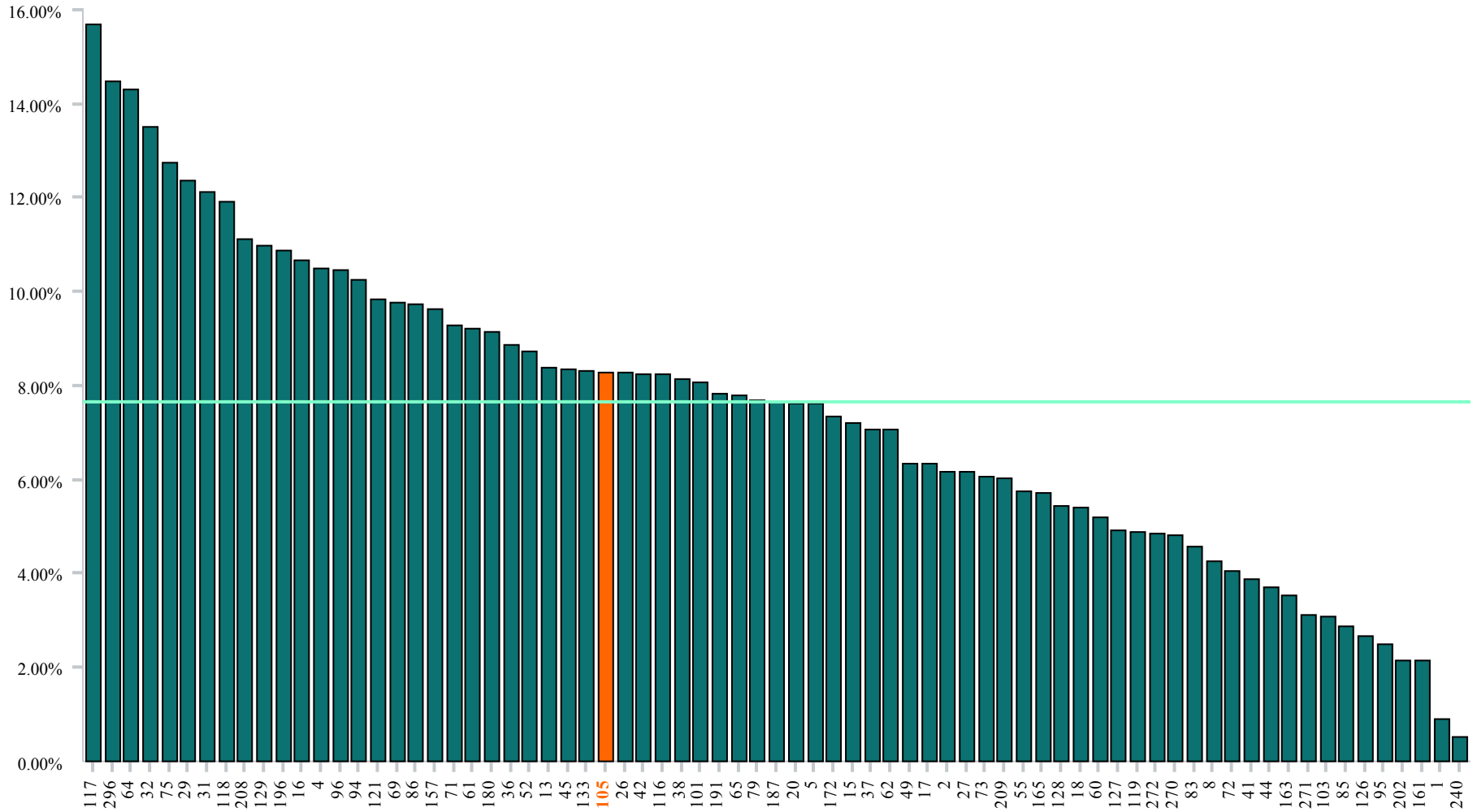


Real Estate Allocation

As of December 31, 2011

Fund Number: 105

73 of 77 funds invest in Real Estate



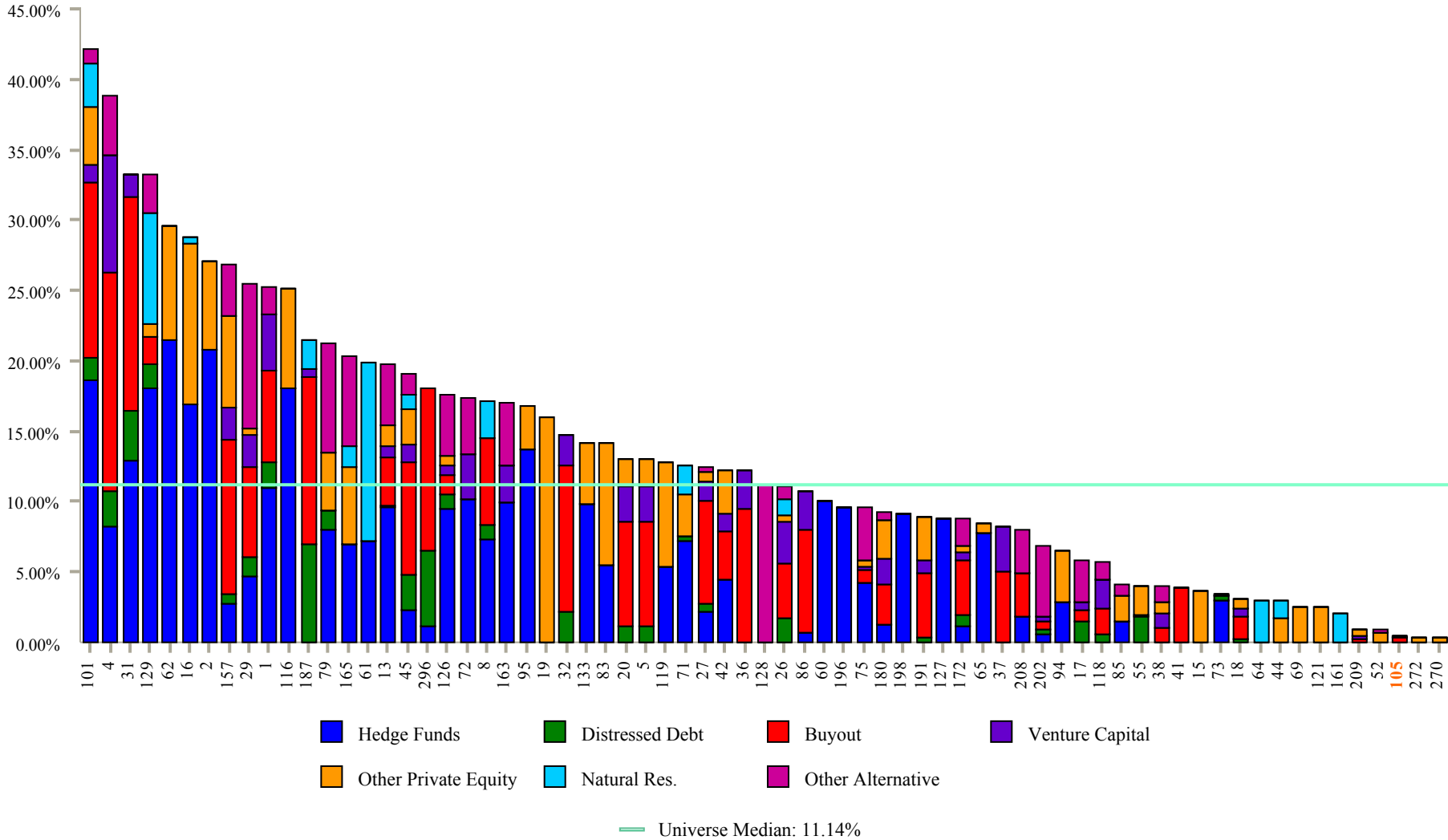
— Universe Median: 7.67%

Alternatives Style Allocation

As of December 31, 2011

Fund Number: 105

69 of 77 funds invest in Alternatives

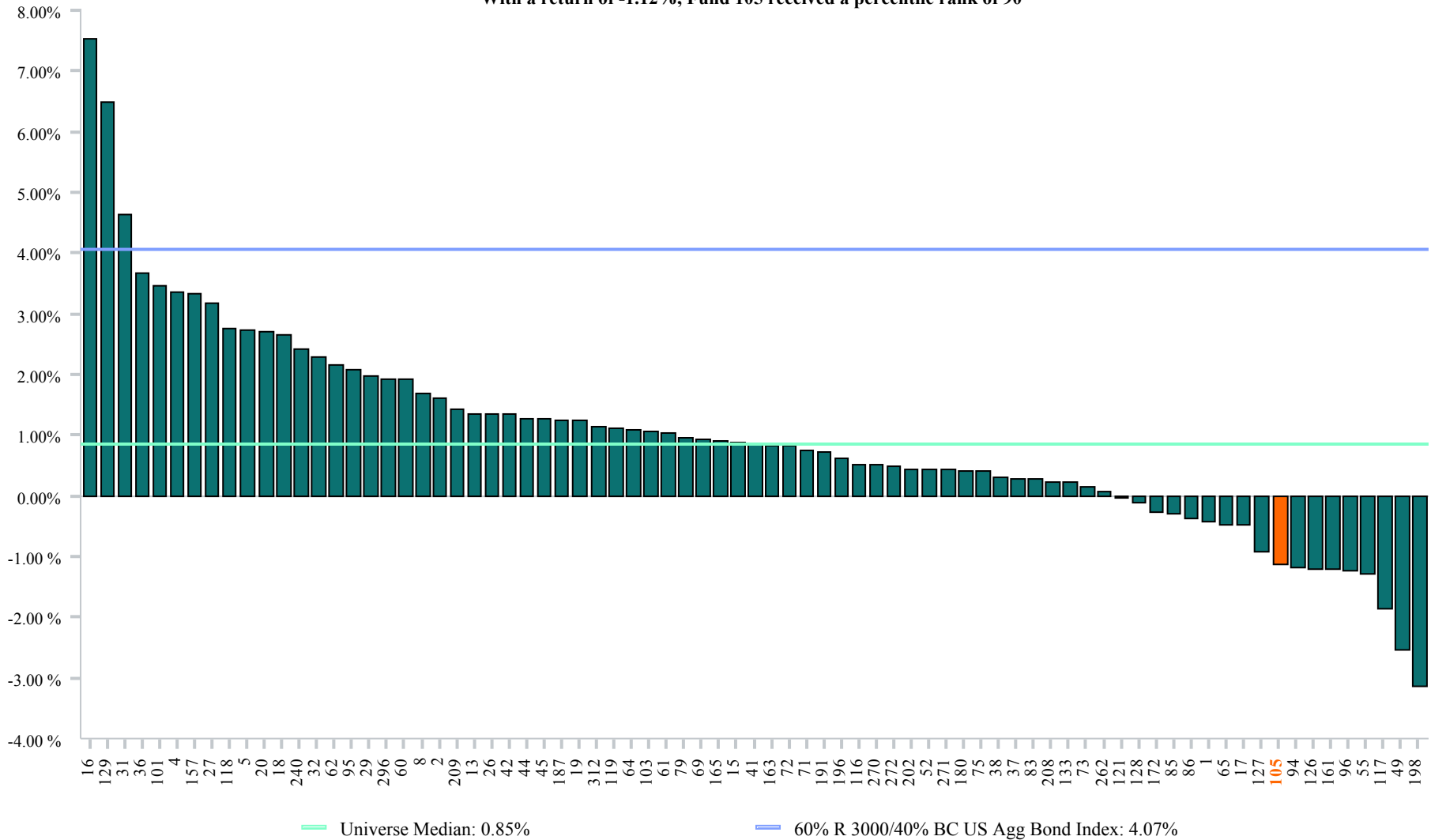


1 Year Annualized Total Fund Returns

As of December 31, 2011

Fund Number: 105

77 of 77 funds provided Total Fund returns for this time period
 With a return of -1.12%, Fund 105 received a percentile rank of 90



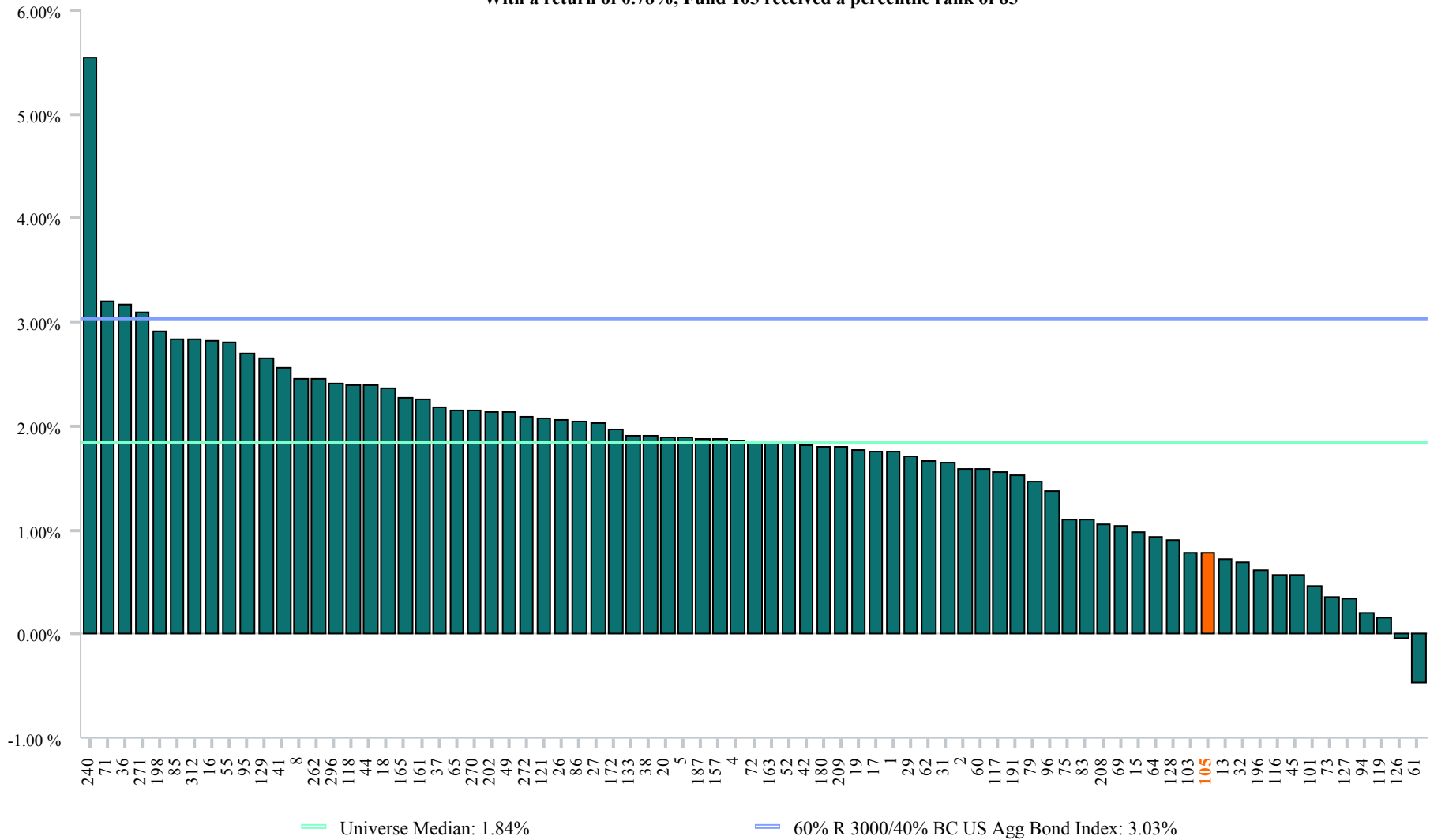
Funds with less history than the specified time period will not appear in the chart.

5 Year Annualized Total Fund Returns

As of December 31, 2011

Fund Number: 105

77 of 77 funds provided Total Fund returns for this time period
 With a return of 0.78%, Fund 105 received a percentile rank of 85



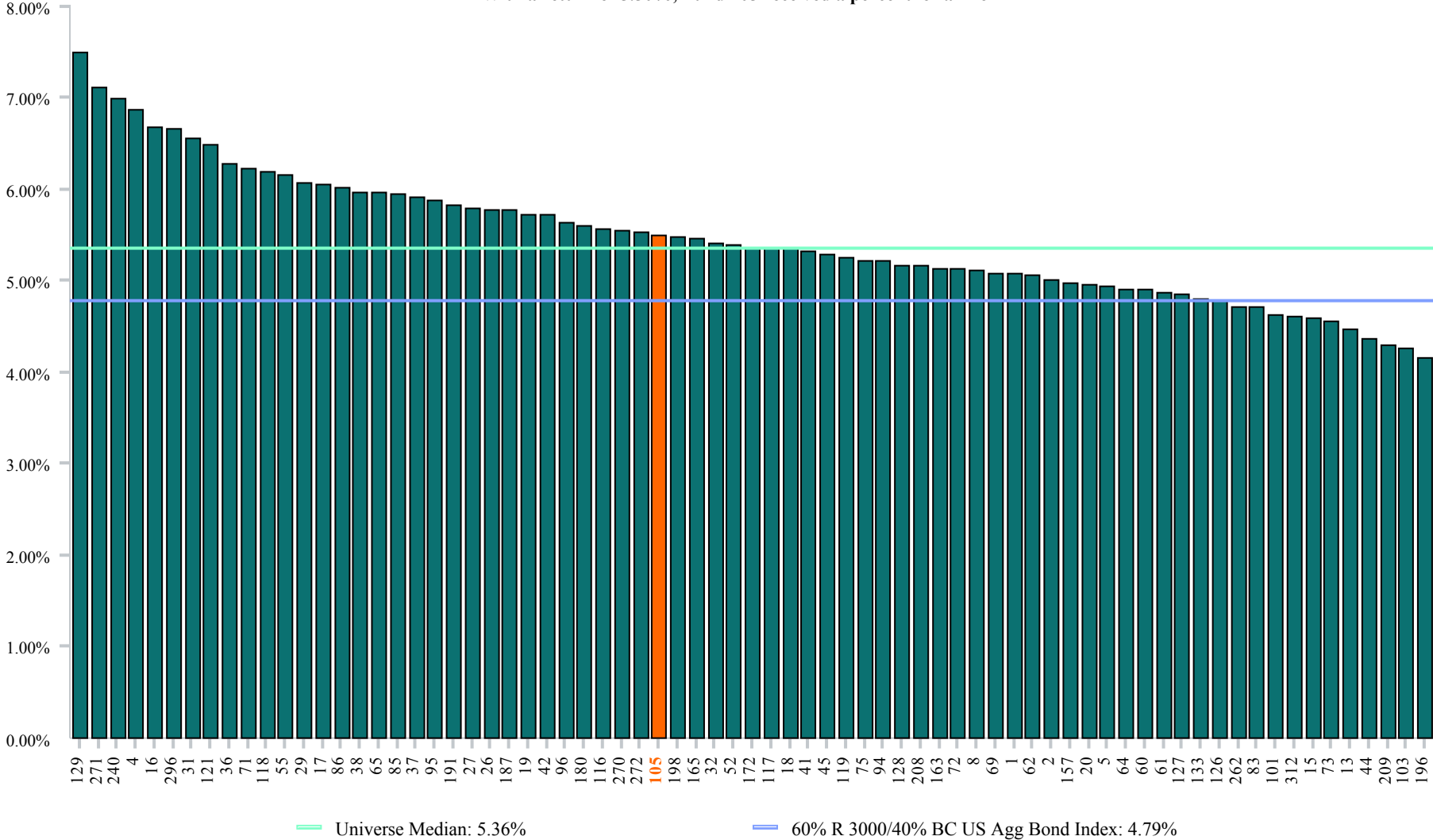
Funds with less history than the specified time period will not appear in the chart.

10 Year Annualized Total Fund Returns

As of December 31, 2011

Fund Number: 105

73 of 77 funds provided Total Fund returns for this time period
 With a return of 5.50%, Fund 105 received a percentile rank of 44



Funds with less history than the specified time period will not appear in the chart.

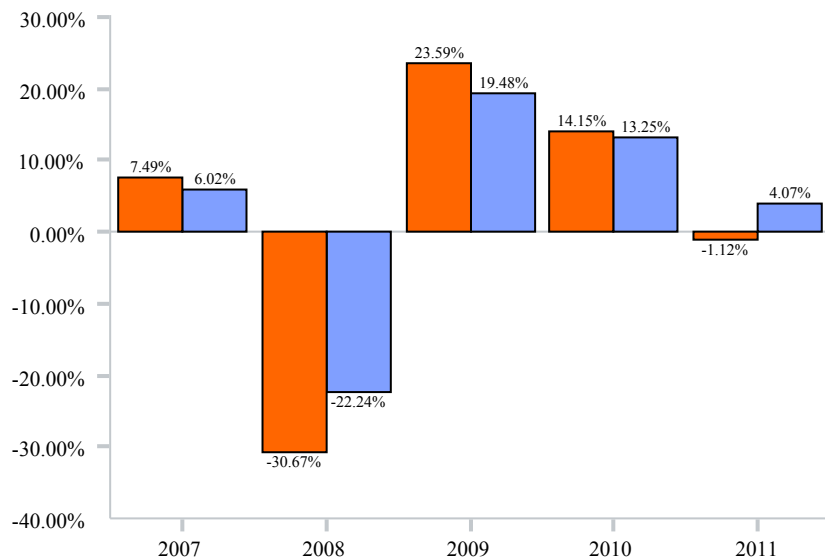
Total Return - Total Fund

Milwaukee ERS vs. 60% R 3000/40% BC US Agg Bond Index

As of December 31, 2011

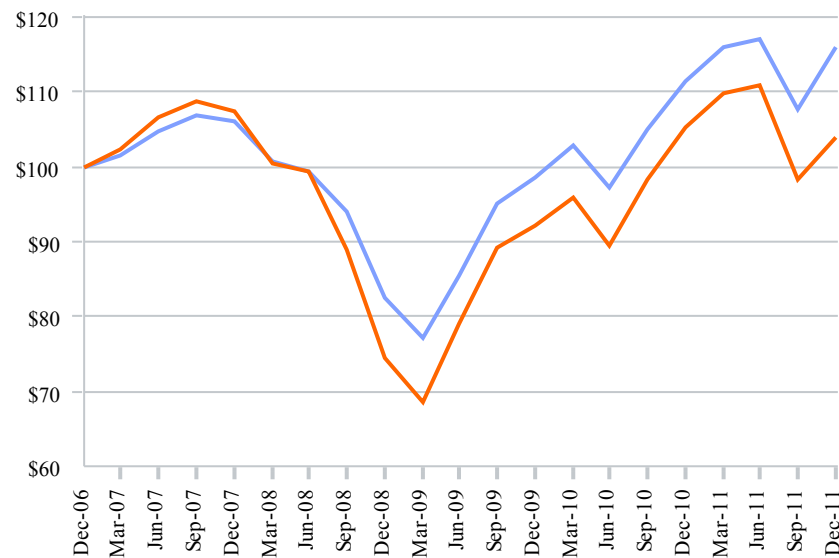
Fund Number: 105

Calendar Year Rates of Return



■ Milwaukee ERS
■ 60% R 3000/40% BC US Agg Bond Index

Cumulative Performance (Growth of \$100)



— Milwaukee ERS: \$104
— 60% R 3000/40% BC US Agg Bond Index: \$116

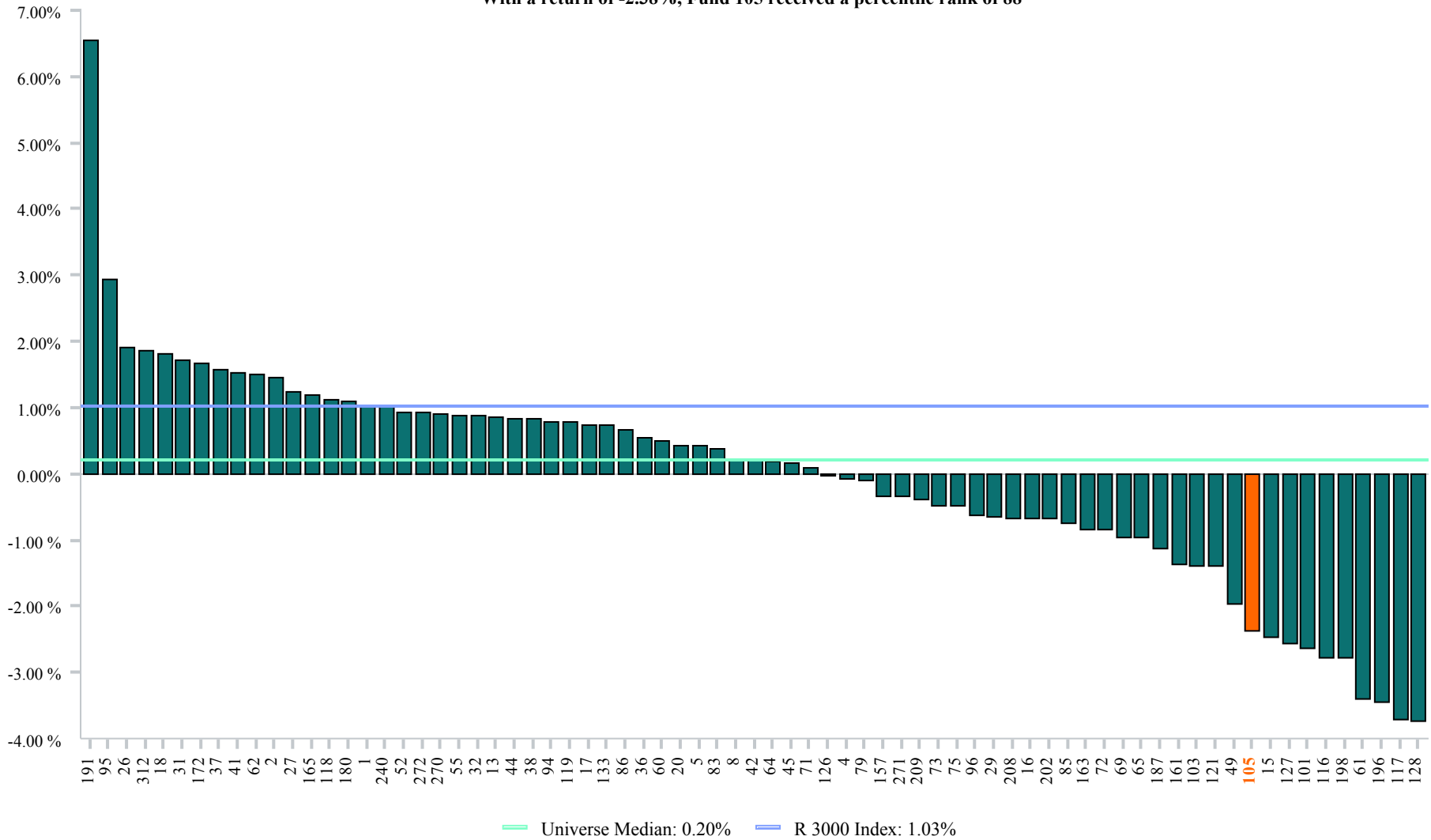
Annualized Returns:	1 Year	3 Years	5 Years
Milwaukee ERS	-1.12%	11.74%	0.78%
60% R 3000/40% BC US Agg Bond Index	4.07%	12.08%	3.03%
<i>Variance</i>	<i>-5.19%</i>	<i>-0.34%</i>	<i>-2.25%</i>

1 Year Annualized US Equity Returns

As of December 31, 2011

Fund Number: 105

73 of 77 funds provided US Equity returns for this time period
 With a return of -2.38%, Fund 105 received a percentile rank of 88



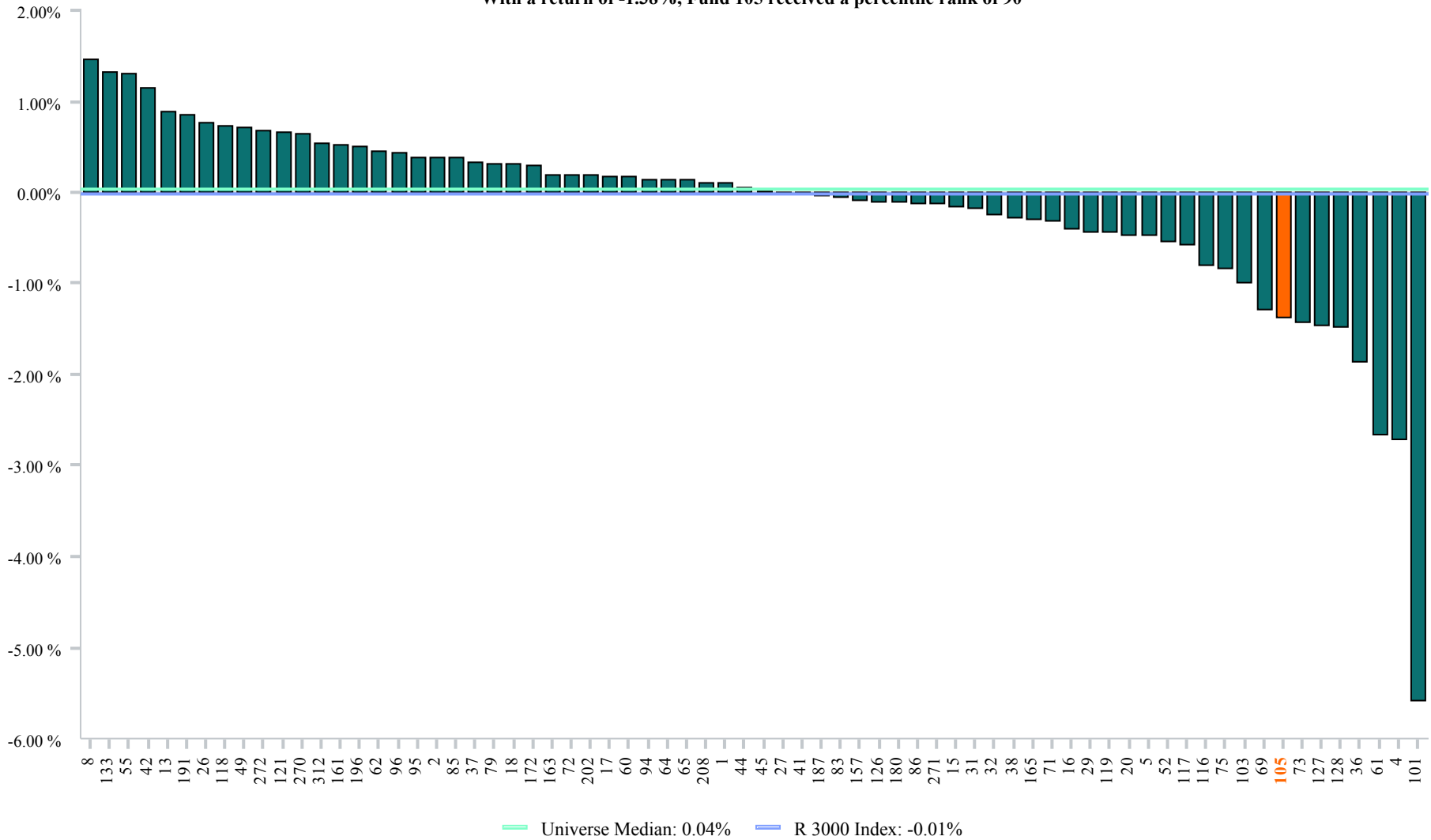
Funds with less history than the specified time period will not appear in the chart.

5 Year Annualized US Equity Returns

As of December 31, 2011

Fund Number: 105

70 of 77 funds provided US Equity returns for this time period
 With a return of -1.38%, Fund 105 received a percentile rank of 90



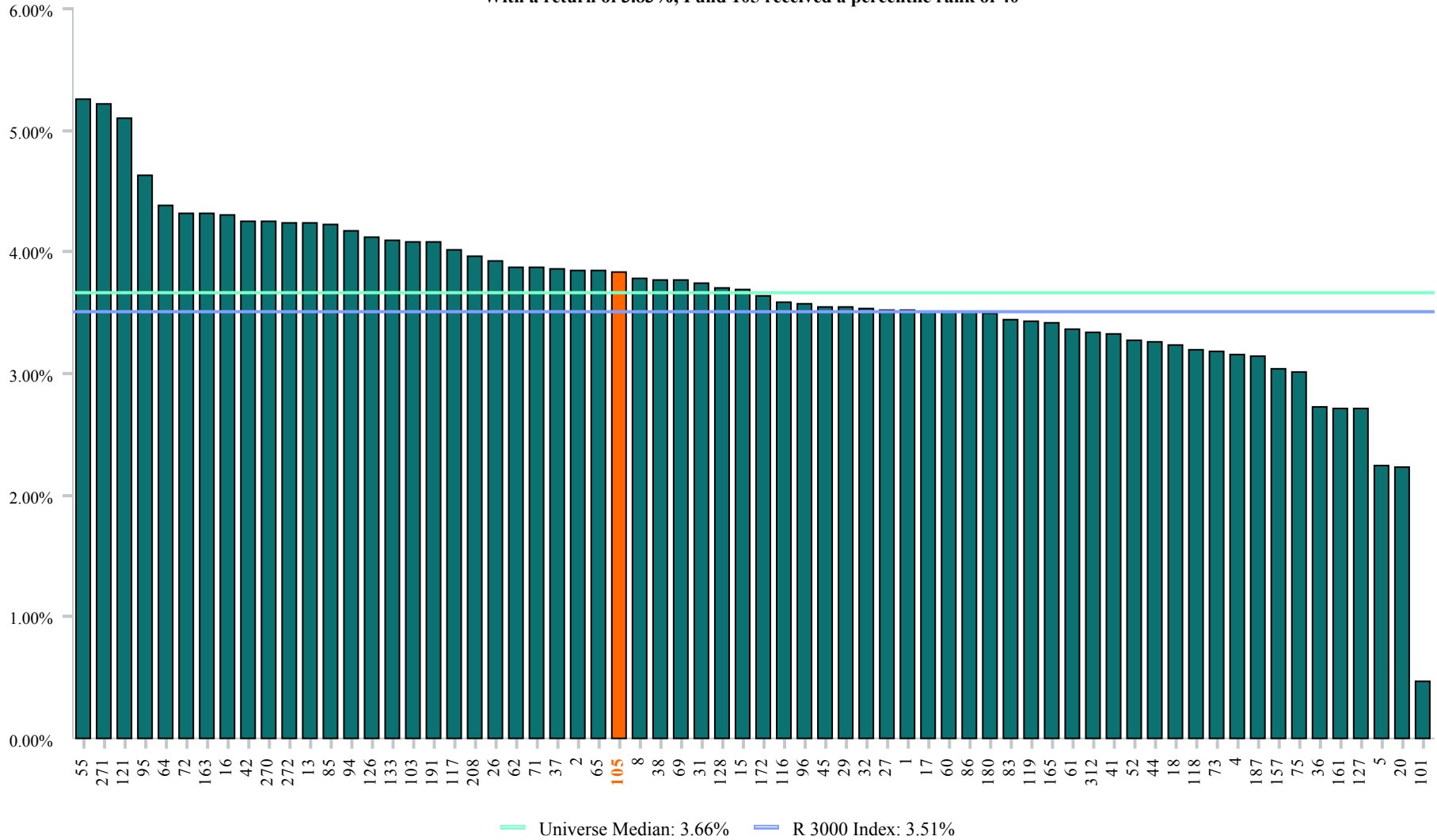
Funds with less history than the specified time period will not appear in the chart.

10 Year Annualized US Equity Returns

As of December 31, 2011

Fund Number: 105

66 of 77 funds provided US Equity returns for this time period
 With a return of 3.83%, Fund 105 received a percentile rank of 40



Funds with less history than the specified time period will not appear in the chart.

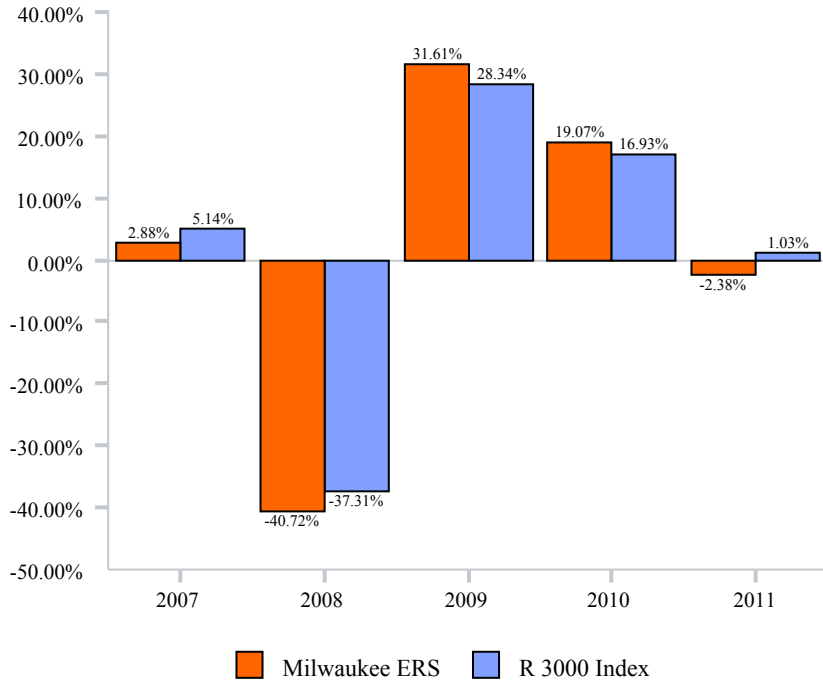
Total Return - US Equity

Milwaukee ERS vs. R 3000 Index

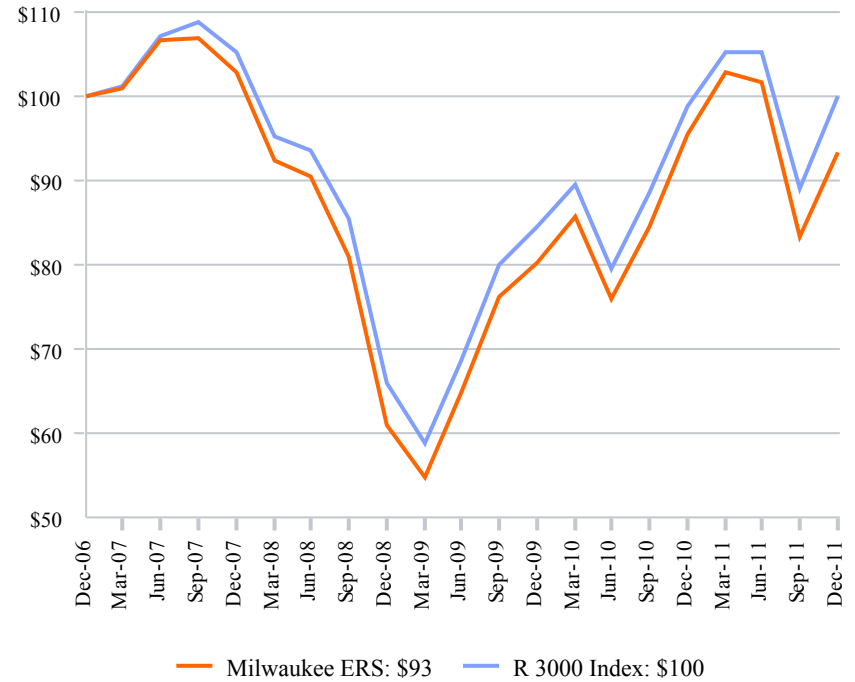
As of December 31, 2011

Fund Number: 105

Calendar Year Rates of Return



Cumulative Performance (Growth of \$100)



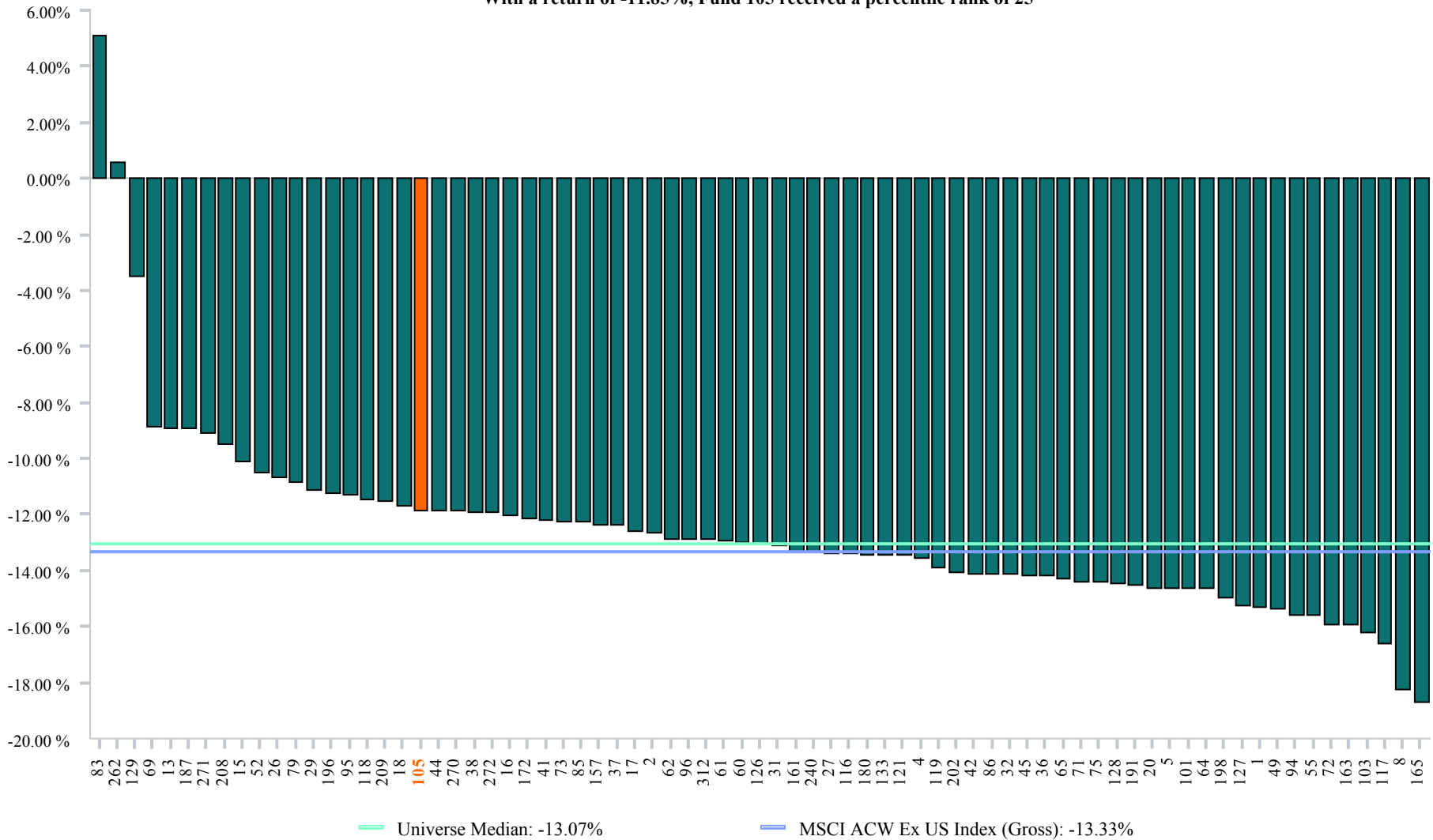
Annualized Returns:	1 Year	3 Years	5 Years
Milwaukee ERS	-2.38%	15.23%	-1.38%
R 3000 Index	1.03%	14.88%	-0.01%
<i>Variance</i>	<i>-3.41%</i>	<i>0.35%</i>	<i>-1.37%</i>

1 Year Annualized International Equity Returns

As of December 31, 2011

Fund Number: 105

75 of 77 funds provided International Equity returns for this time period
 With a return of -11.85%, Fund 105 received a percentile rank of 25



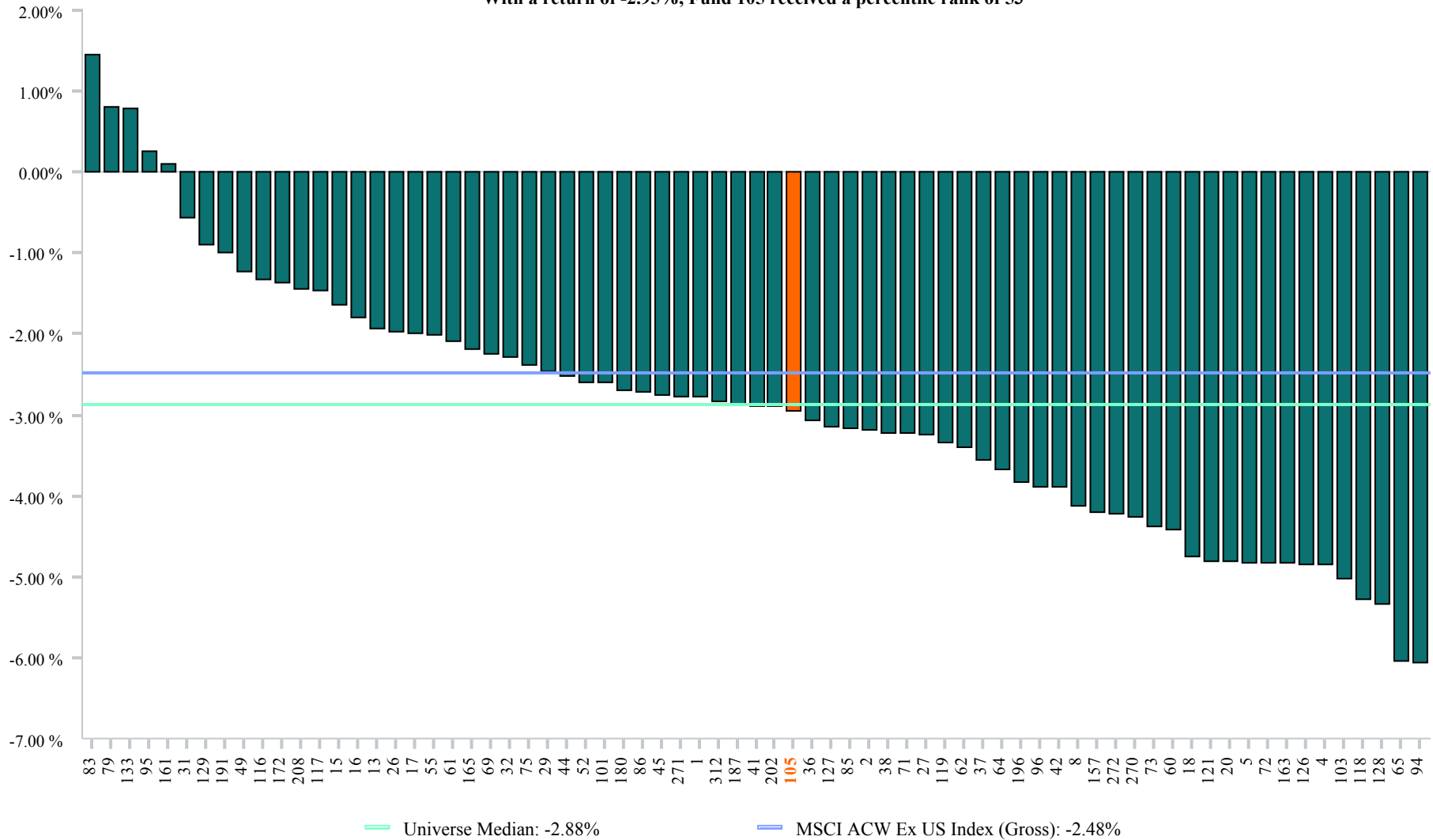
Funds with less history than the specified time period will not appear in the chart.

5 Year Annualized International Equity Returns

As of December 31, 2011

Fund Number: 105

71 of 77 funds provided International Equity returns for this time period
 With a return of -2.95%, Fund 105 received a percentile rank of 53



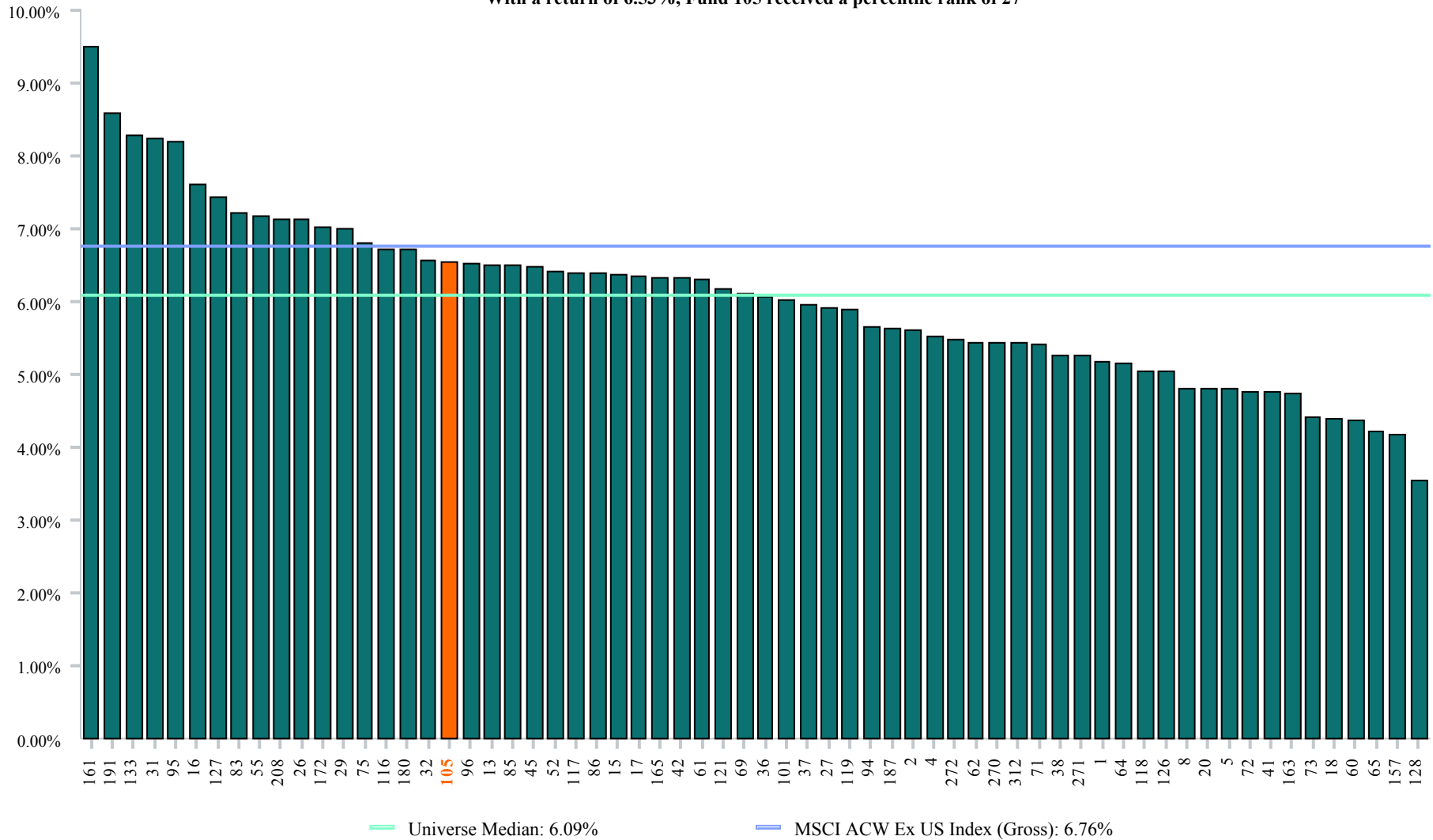
Funds with less history than the specified time period will not appear in the chart.

10 Year Annualized International Equity Returns

As of December 31, 2011

Fund Number: 105

64 of 77 funds provided International Equity returns for this time period
 With a return of 6.53%, Fund 105 received a percentile rank of 27



Funds with less history than the specified time period will not appear in the chart.

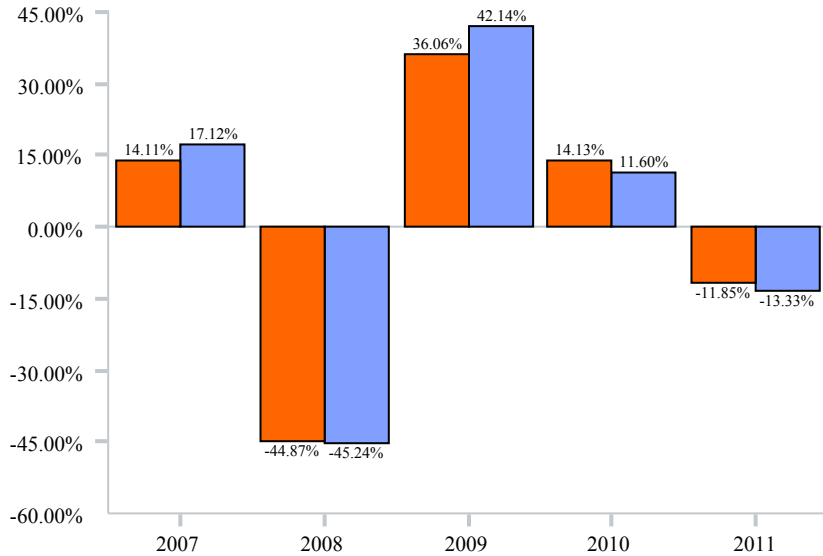
Total Return - International Equity

Milwaukee ERS vs. MSCI ACW Ex US Index (Gross)

As of December 31, 2011

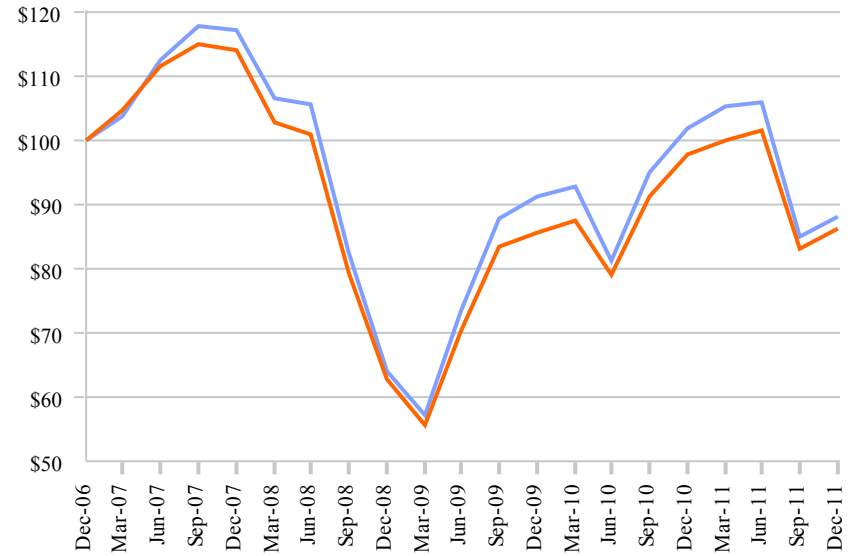
Fund Number: 105

Calendar Year Rates of Return



■ Milwaukee ERS
■ MSCI ACW Ex US Index (Gross)

Cumulative Performance (Growth of \$100)



— Milwaukee ERS: \$86
— MSCI ACW Ex US Index (Gross): \$88

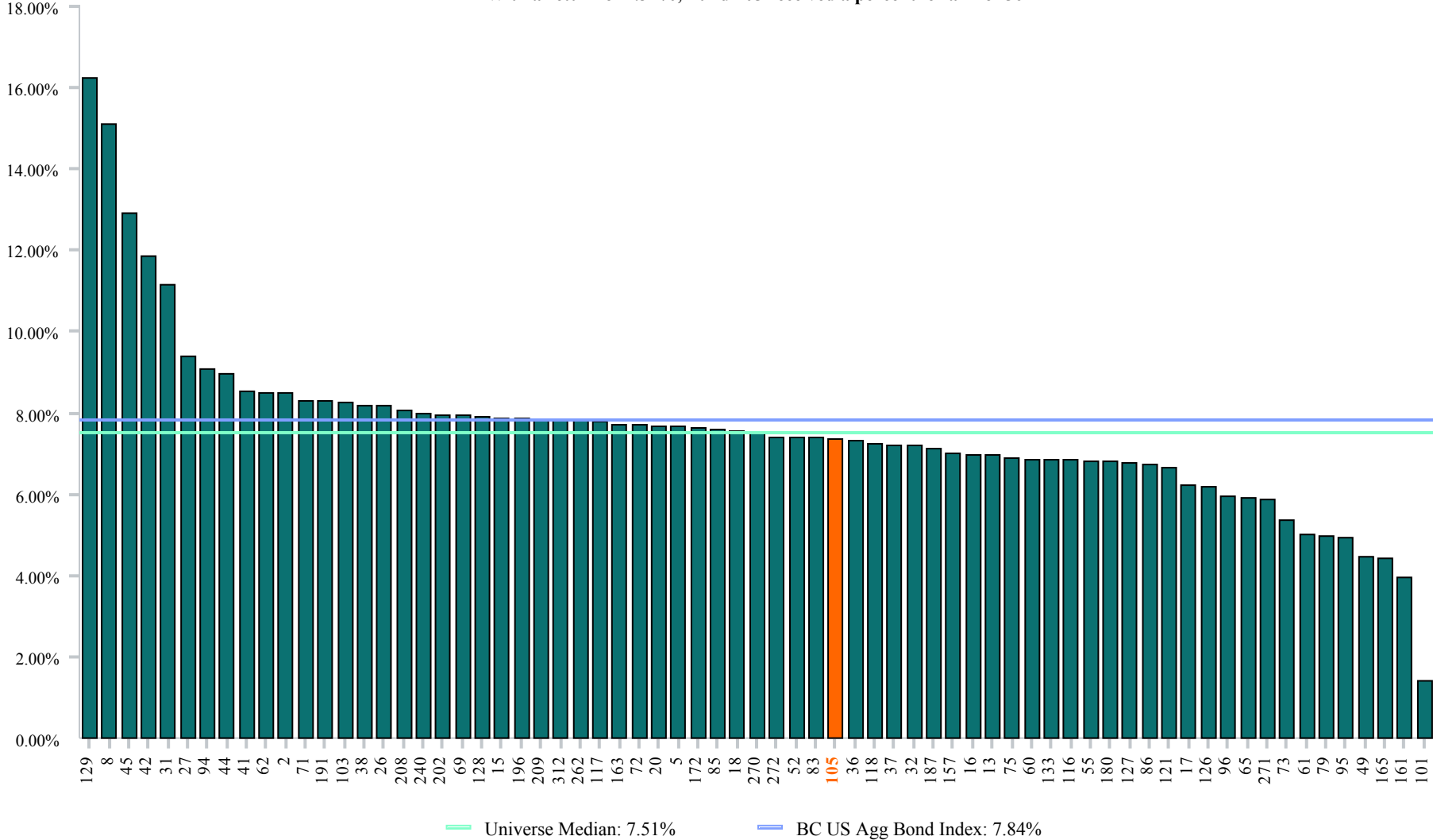
<u>Annualized Returns:</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Milwaukee ERS	-11.85%	11.03%	-2.95%
MSCI ACW Ex US Index (Gross)	-13.33%	11.20%	-2.48%
<i>Variance</i>	<i>1.48%</i>	<i>-0.17%</i>	<i>-0.47%</i>

1 Year Annualized US Fixed Income Returns

As of December 31, 2011

Fund Number: 105

69 of 71 funds provided US Fixed Income returns for this time period
 With a return of 7.34%, Fund 105 received a percentile rank of 56



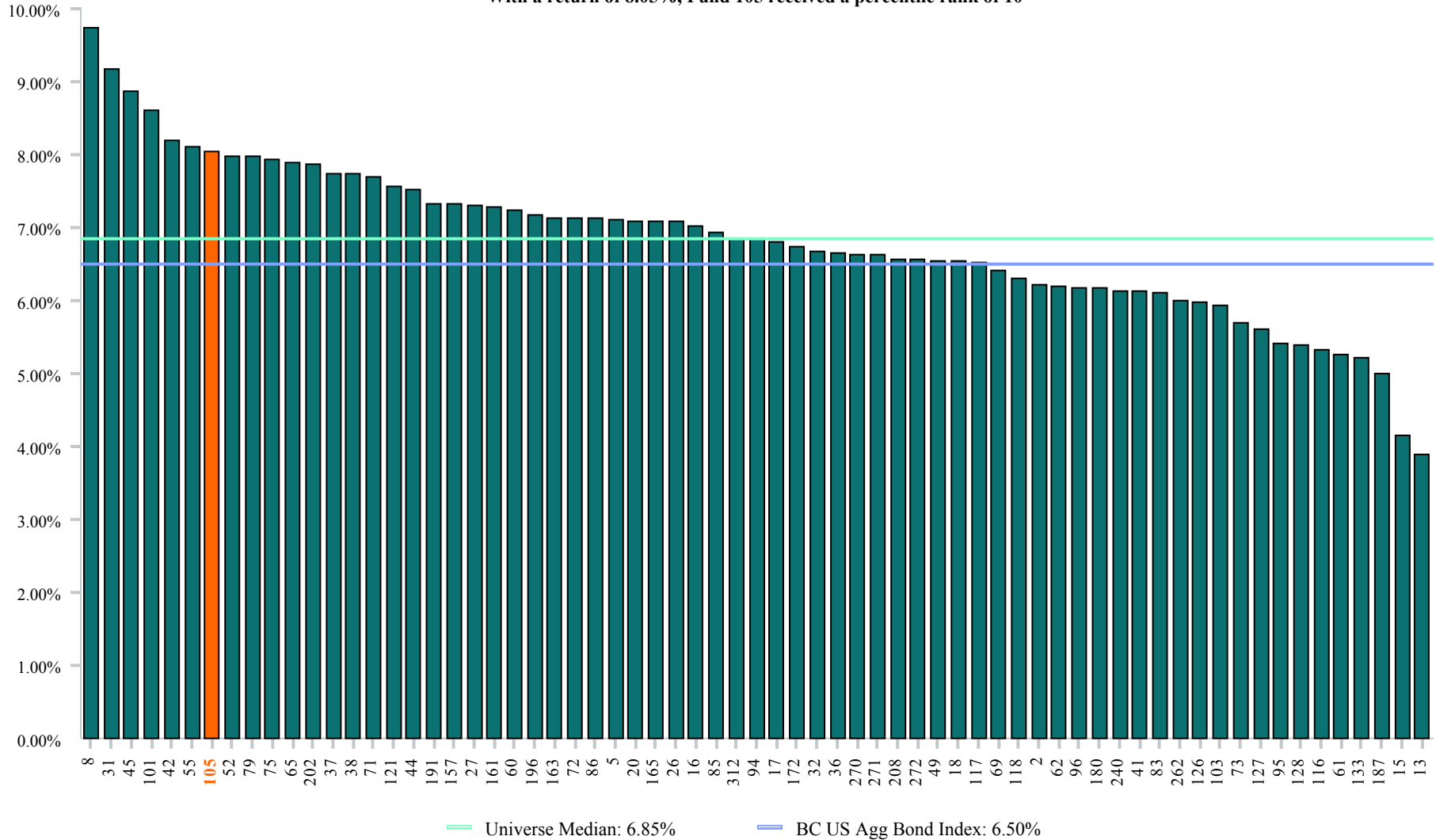
Funds with less history than the specified time period will not appear in the chart.

5 Year Annualized US Fixed Income Returns

As of December 31, 2011

Fund Number: 105

67 of 71 funds provided US Fixed Income returns for this time period
 With a return of 8.05%, Fund 105 received a percentile rank of 10



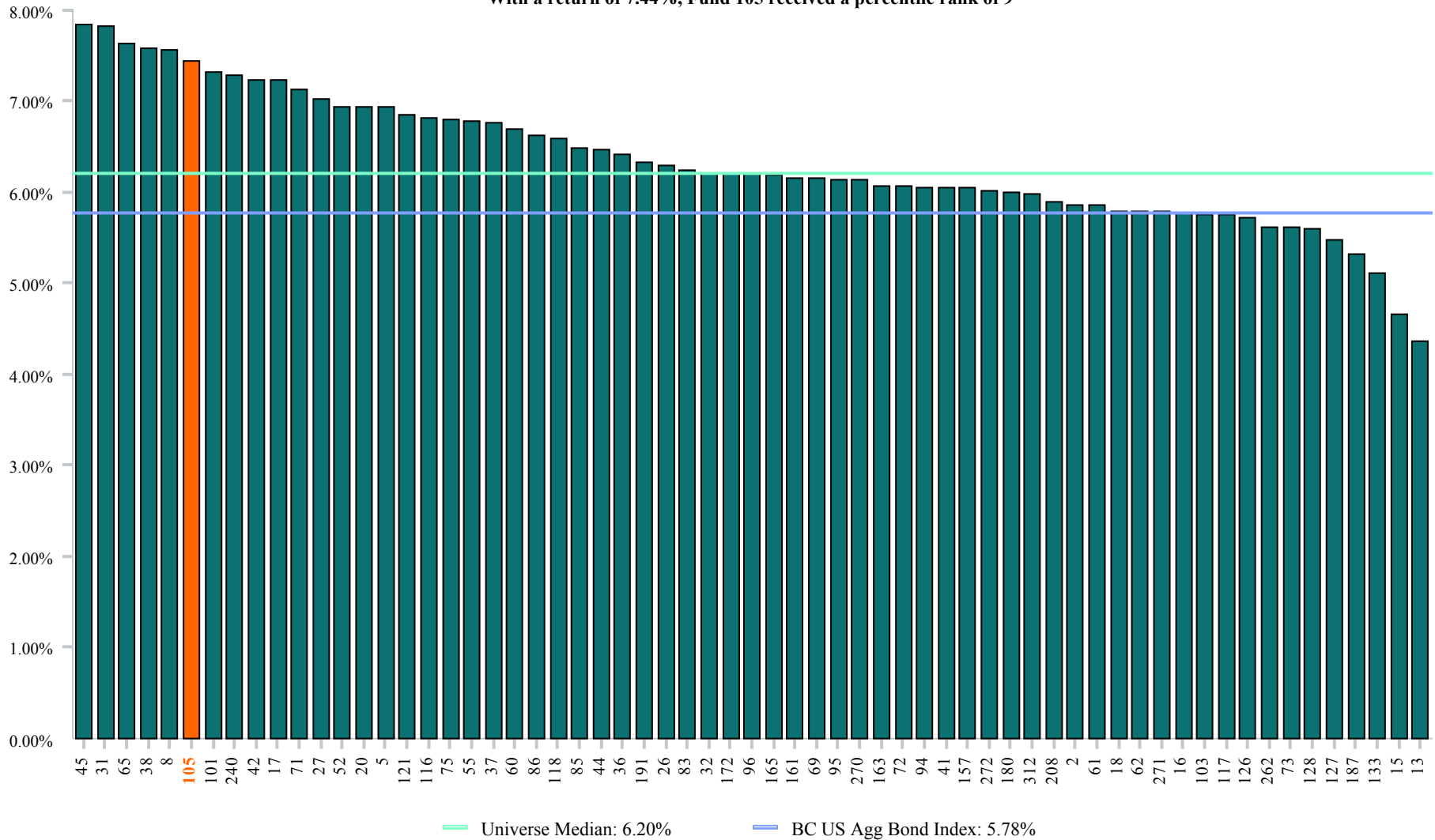
Funds with less history than the specified time period will not appear in the chart.

10 Year Annualized US Fixed Income Returns

As of December 31, 2011

Fund Number: 105

63 of 71 funds provided US Fixed Income returns for this time period
With a return of 7.44%, Fund 105 received a percentile rank of 9



Funds with less history than the specified time period will not appear in the chart.

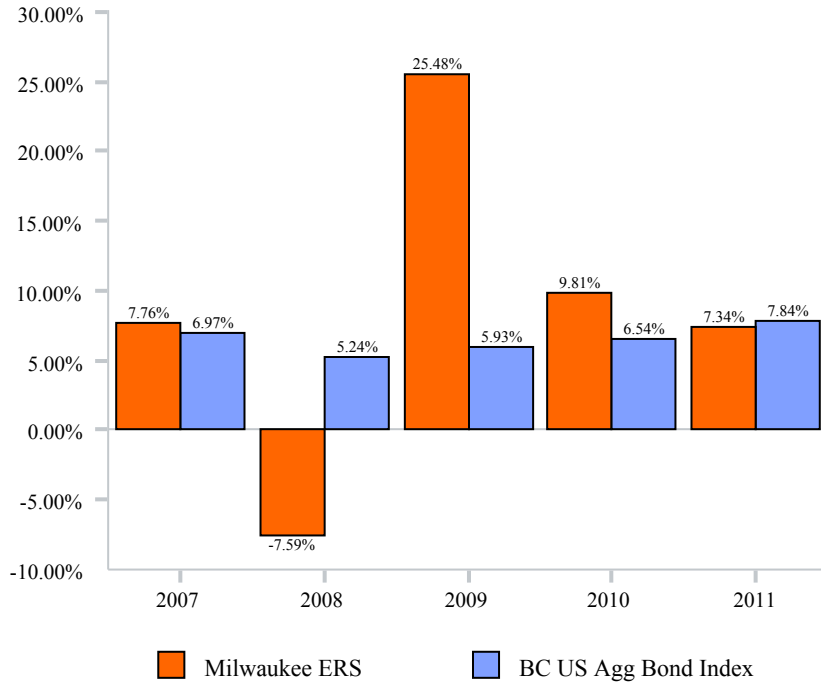
Total Return - US Fixed Income

Milwaukee ERS vs. BC US Agg Bond Index

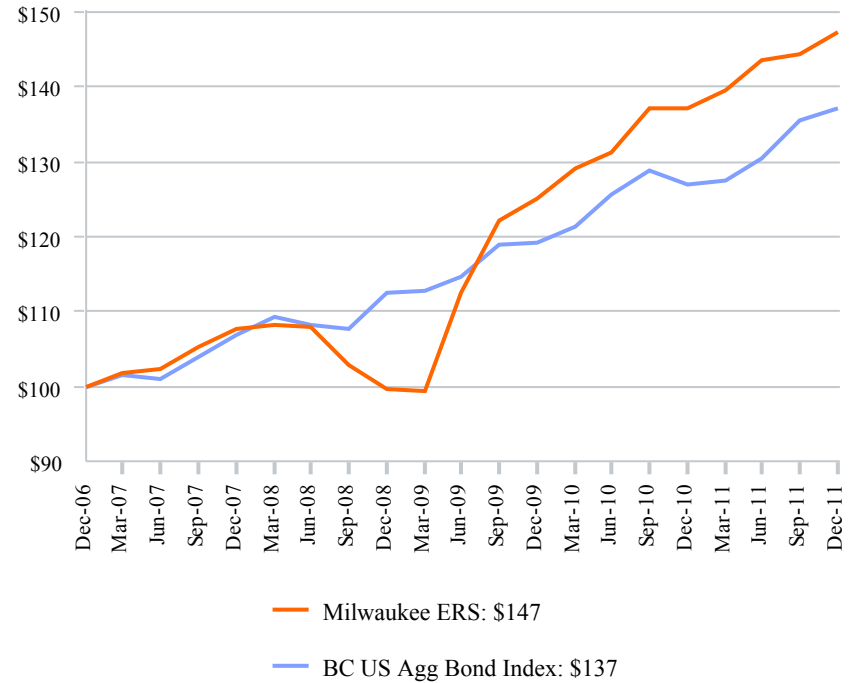
As of December 31, 2011

Fund Number: 105

Calendar Year Rates of Return



Cumulative Performance (Growth of \$100)



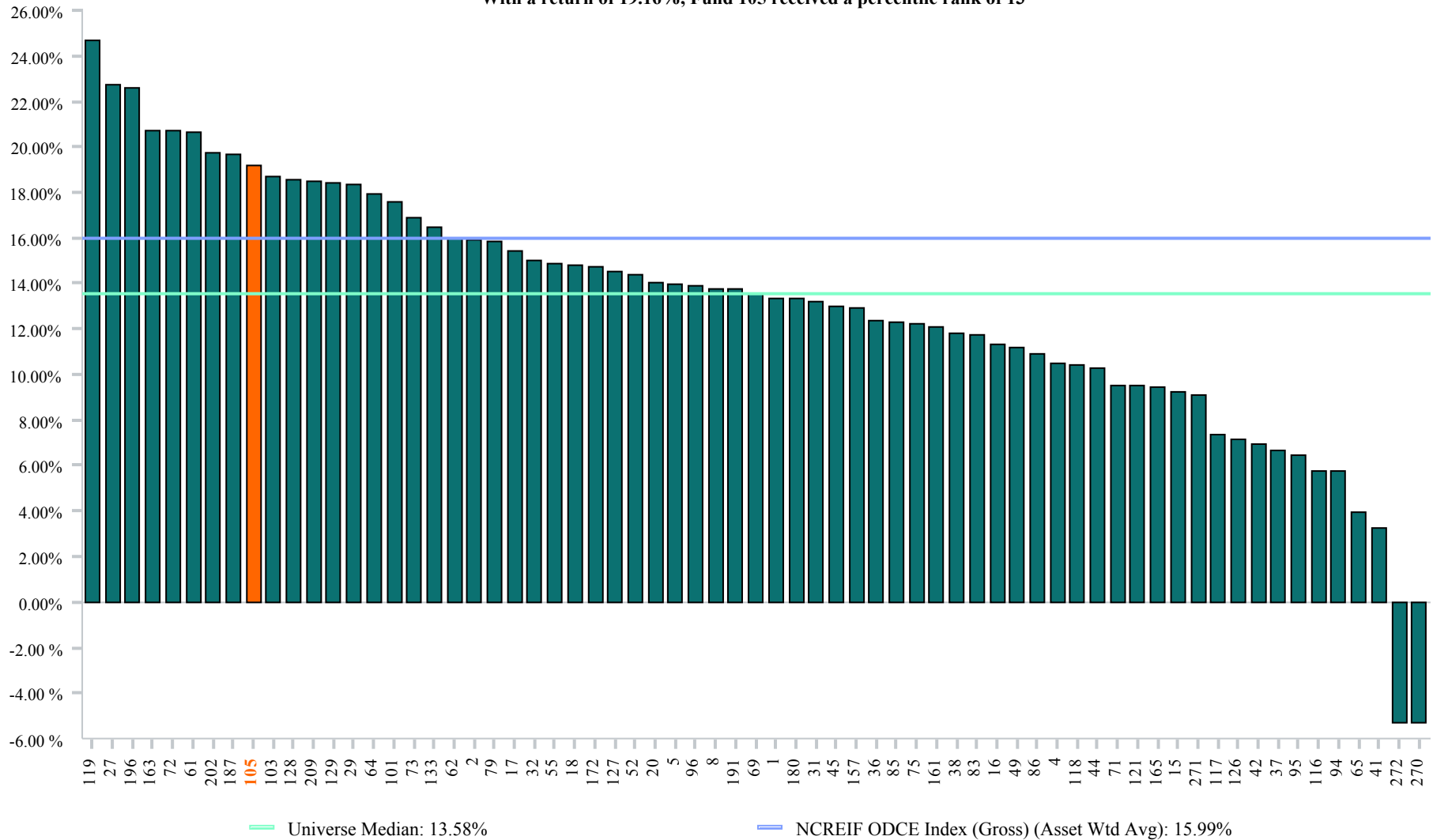
<u>Annualized Returns:</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
Milwaukee ERS	7.34%	13.94%	8.05%
BC US Agg Bond Index	7.84%	6.77%	6.50%
<i>Variance</i>	<i>-0.50%</i>	<i>7.17%</i>	<i>1.55%</i>

1 Year Annualized Real Estate Returns

As of December 31, 2011

Fund Number: 105

67 of 77 funds provided Real Estate returns for this time period
 With a return of 19.16%, Fund 105 received a percentile rank of 13



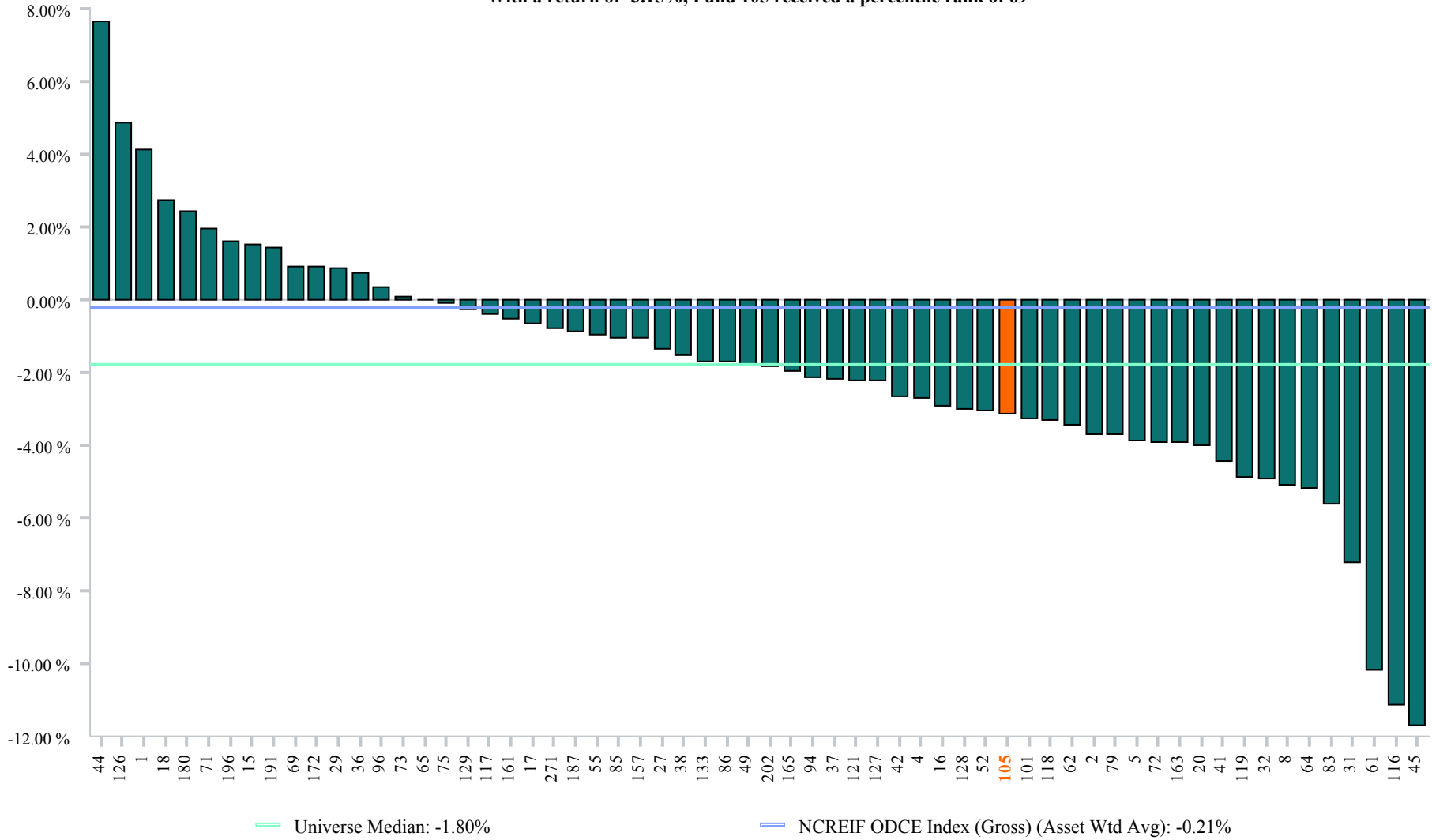
Funds with less history than the specified time period will not appear in the chart.

5 Year Annualized Real Estate Returns

As of December 31, 2011

Fund Number: 105

62 of 77 funds provided Real Estate returns for this time period
 With a return of -3.15%, Fund 105 received a percentile rank of 69



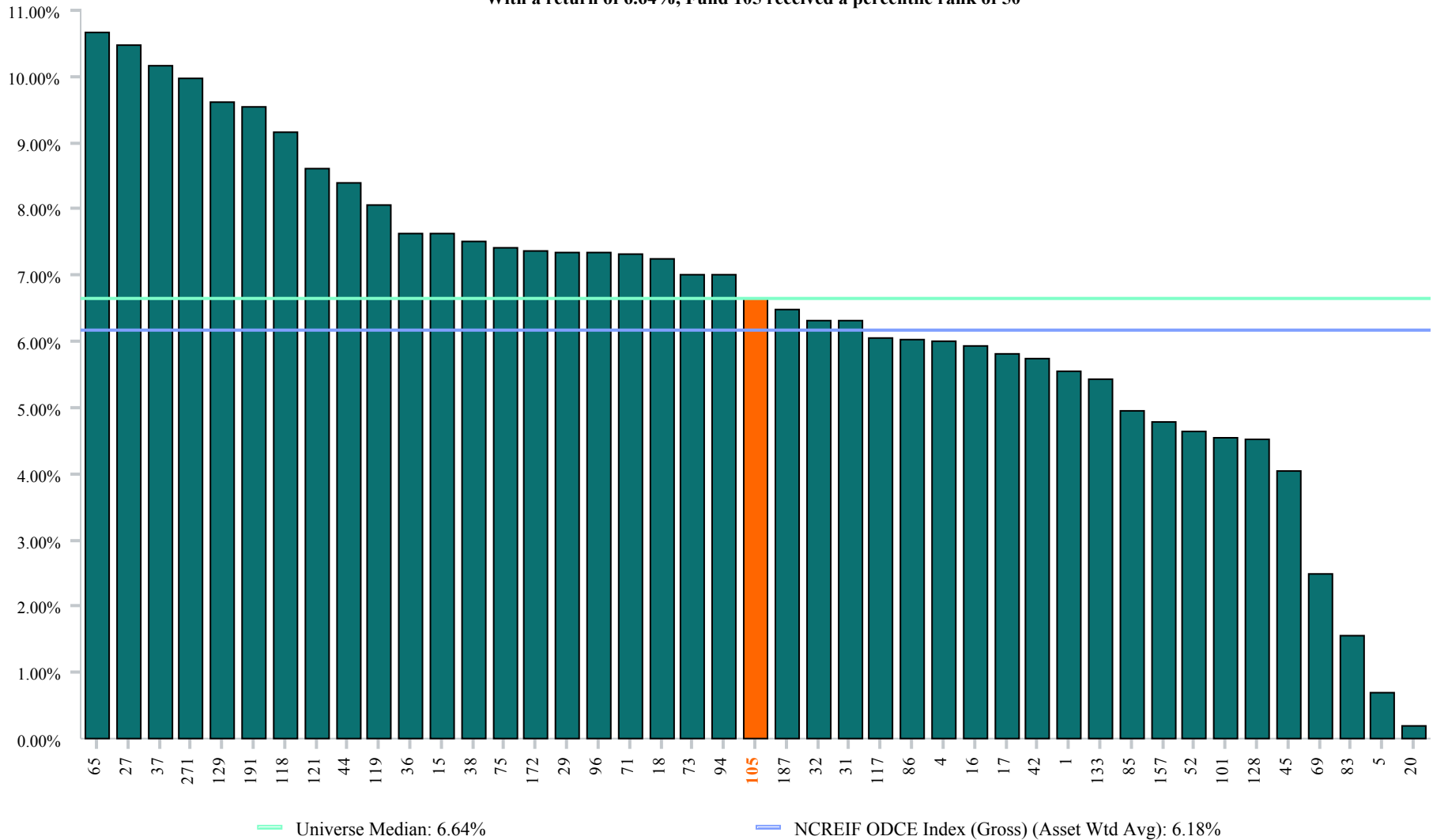
Funds with less history than the specified time period will not appear in the chart.

10 Year Annualized Real Estate Returns

As of December 31, 2011

Fund Number: 105

43 of 77 funds provided Real Estate returns for this time period
With a return of 6.64%, Fund 105 received a percentile rank of 50



Funds with less history than the specified time period will not appear in the chart.

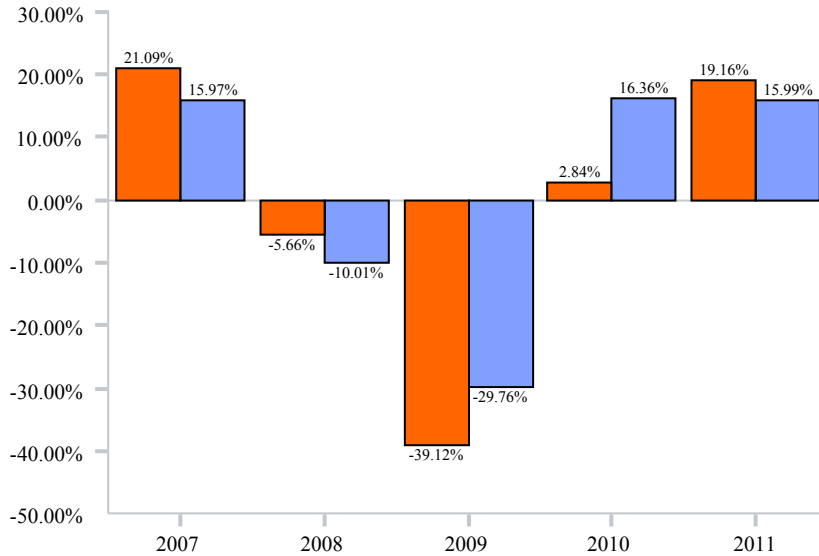
Total Return - Real Estate

Milwaukee ERS vs. NCREIF ODCE Index (Gross) (Asset Wtd Avg)

As of December 31, 2011

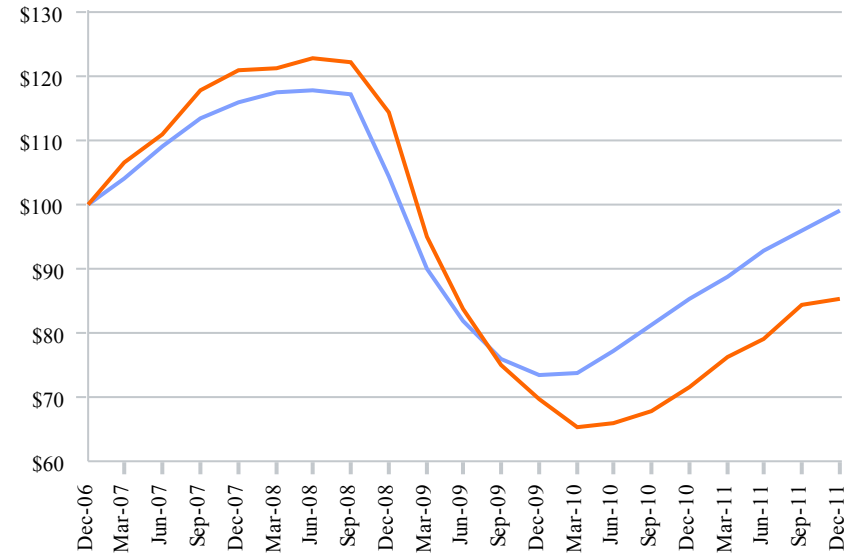
Fund Number: 105

Calendar Year Rates of Return



■ Milwaukee ERS
■ NCREIF ODCE Index (Gross) (Asset Wtd Avg)

Cumulative Performance (Growth of \$100)



— Milwaukee ERS: \$85
— NCREIF ODCE Index (Gross) (Asset Wtd Avg): \$99

Annualized Returns:	1 Year	3 Years	5 Years
Milwaukee ERS	19.16%	-9.30%	-3.15%
NCREIF ODCE Index (Gross) (Asset Wtd Avg)	15.99%	-1.76%	-0.21%
<i>Variance</i>	3.17%	-7.54%	-2.94%

Risk/Return Analysis

5 Year Annualized Total Fund Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105



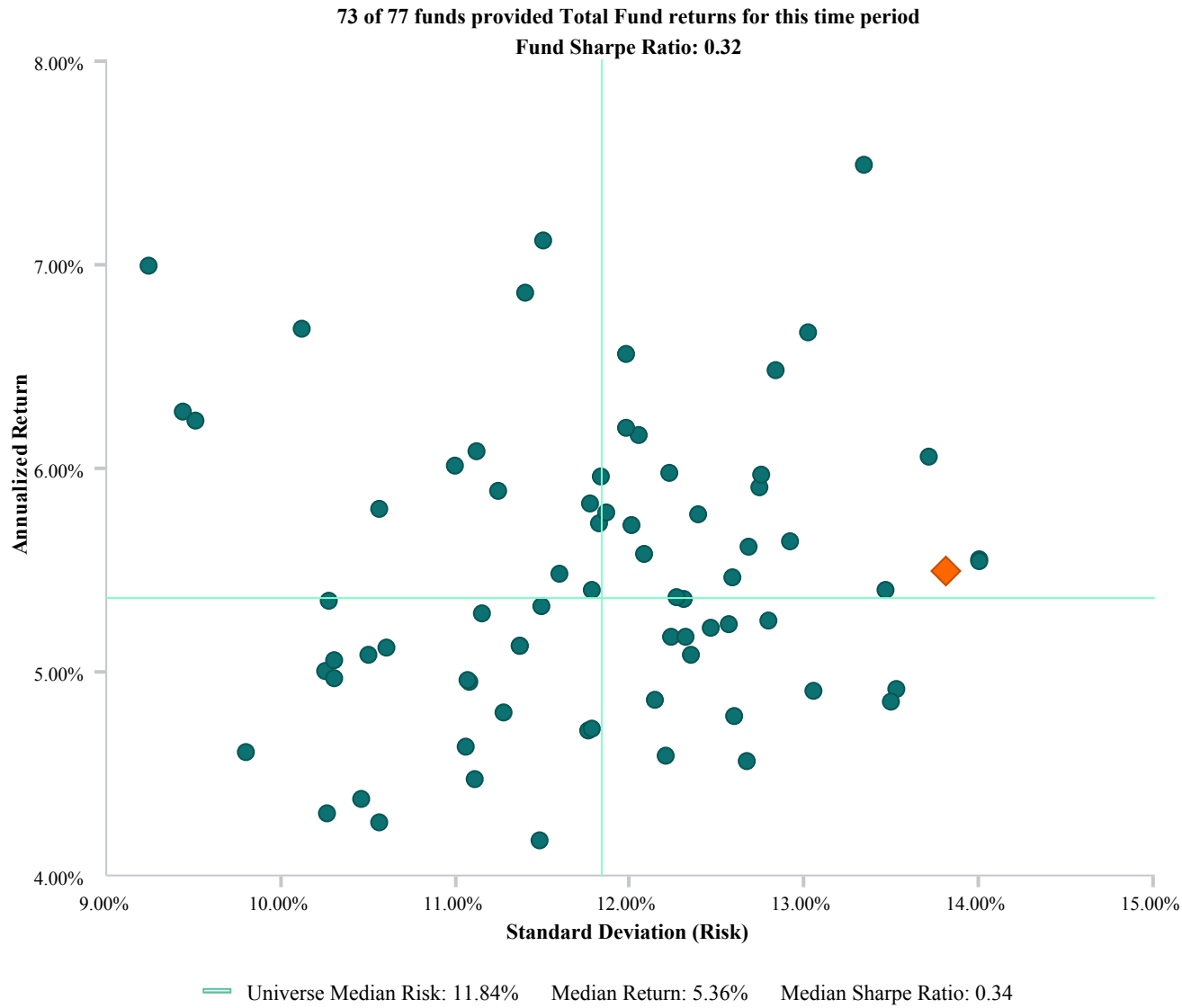
Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

10 Year Annualized Total Fund Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105



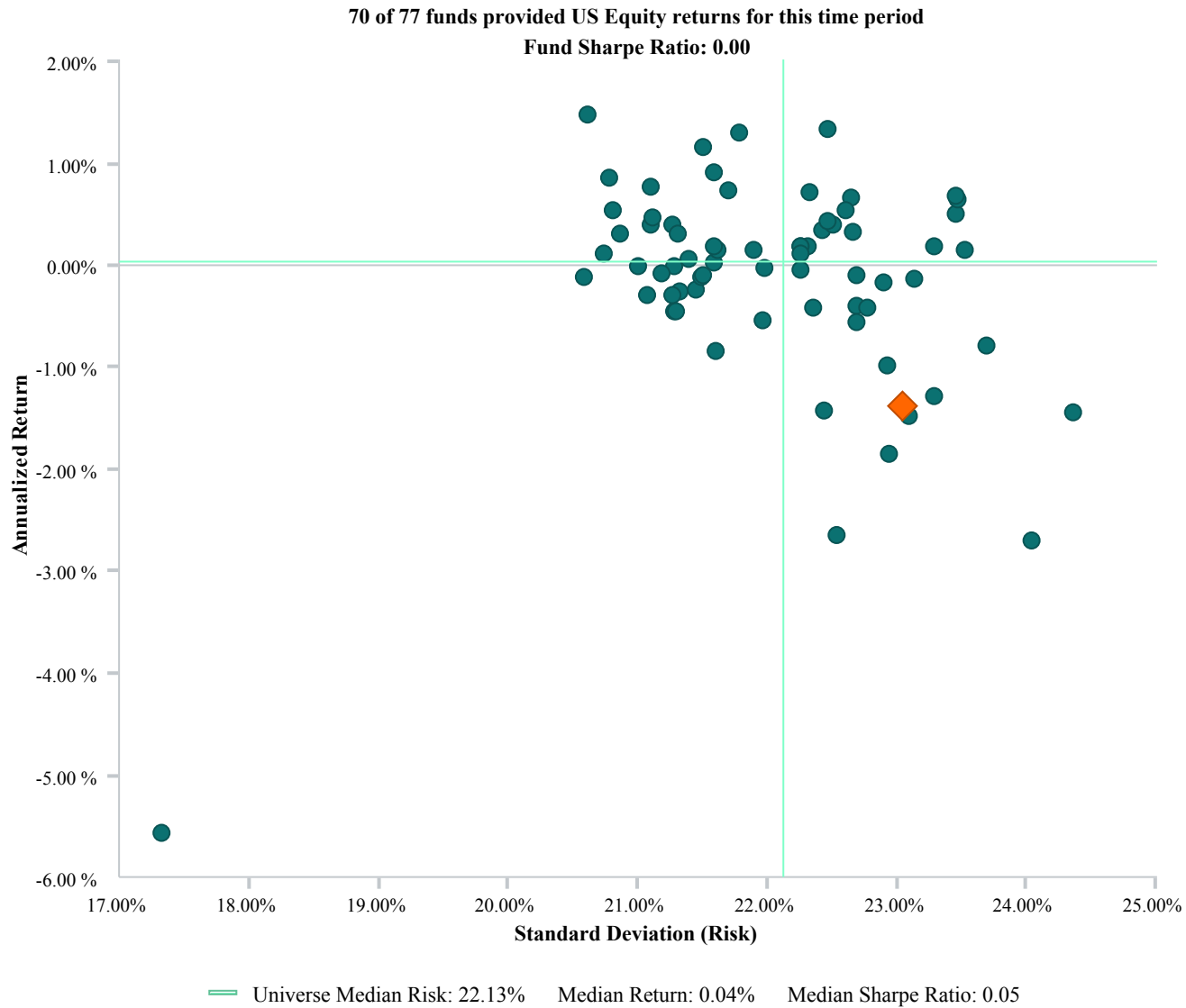
Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

5 Year Annualized US Equity Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105



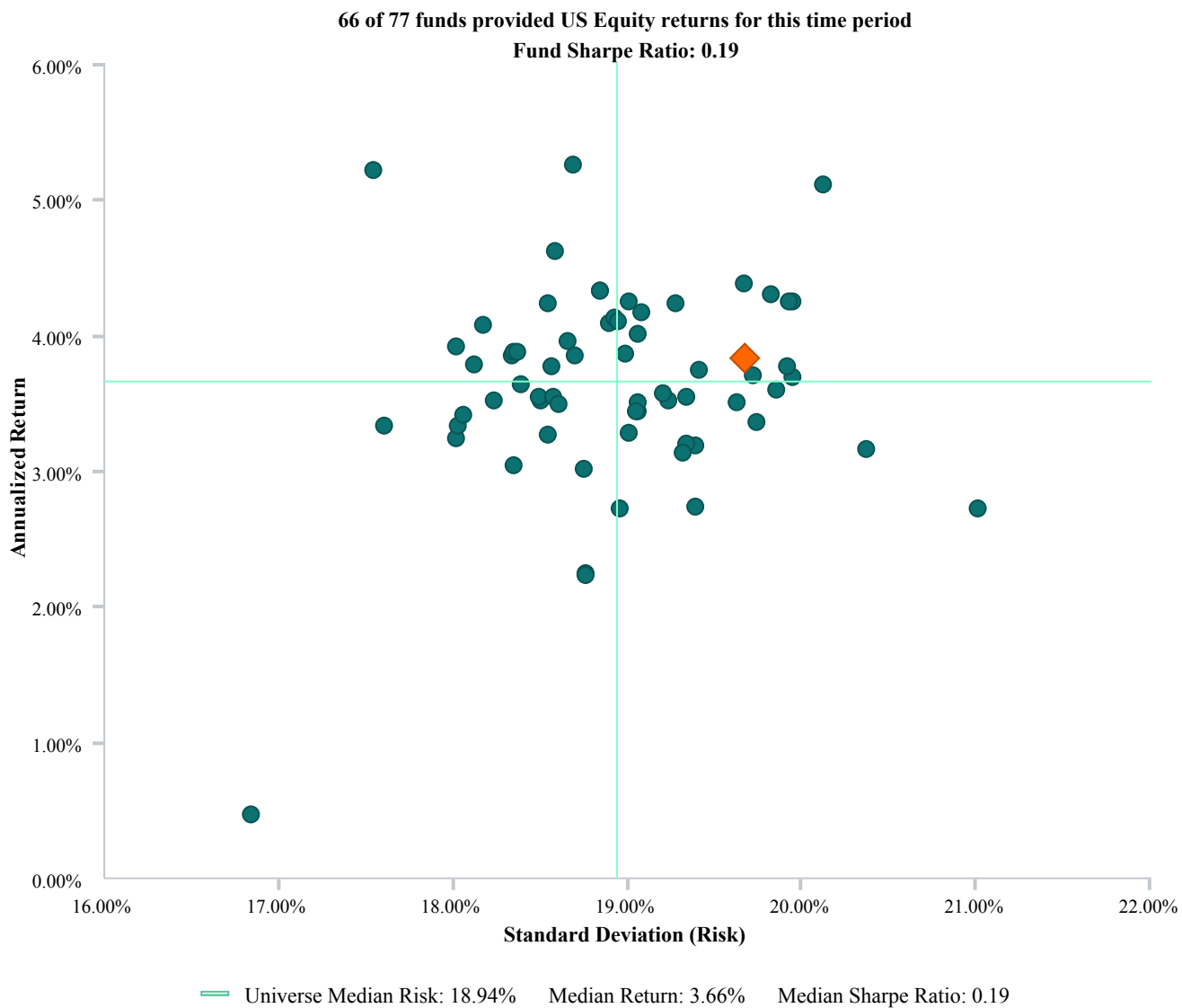
Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

10 Year Annualized US Equity Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105

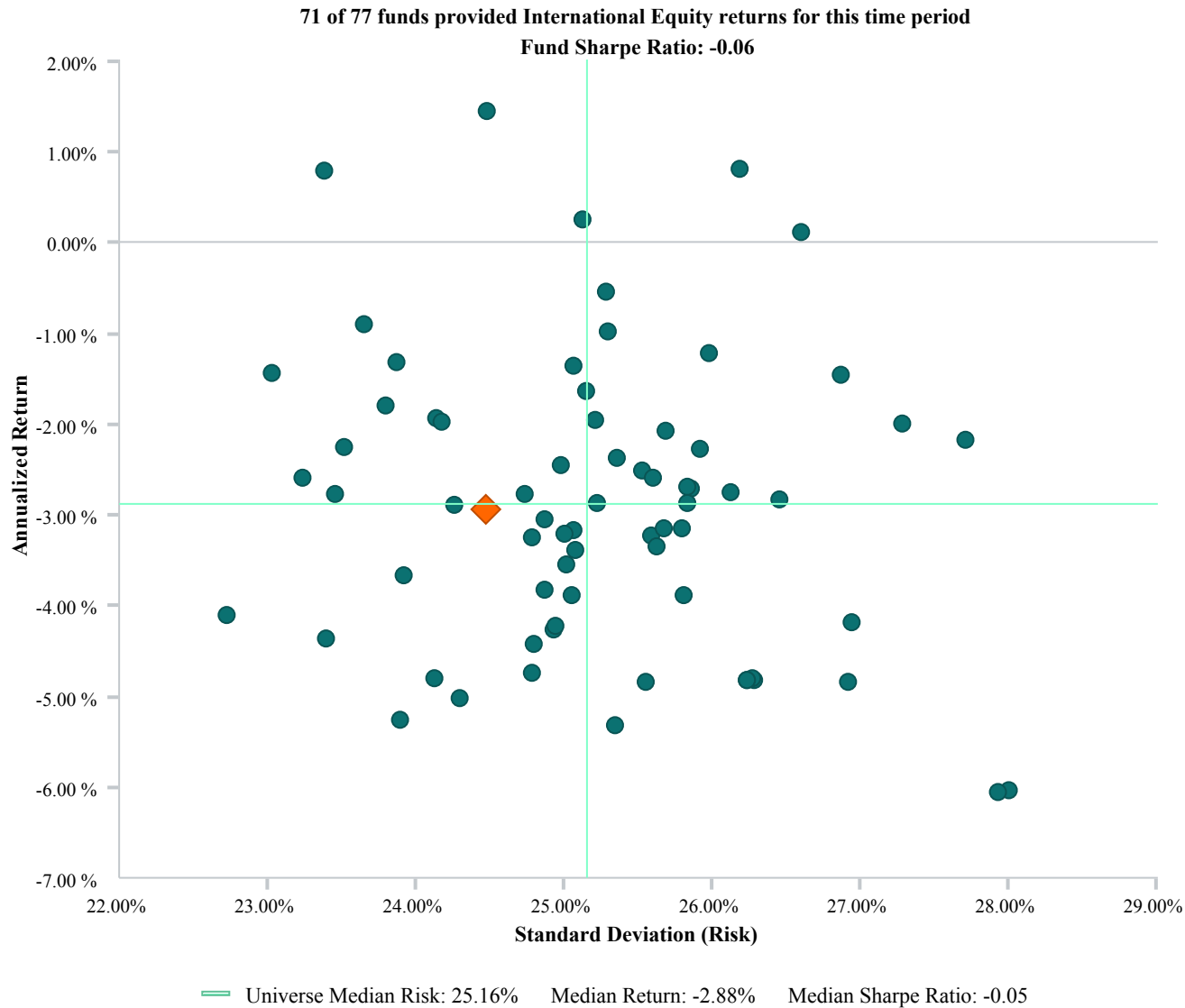


Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

5 Year Annualized International Equity Returns vs. Standard Deviation As of December 31, 2011

Fund Number: 105

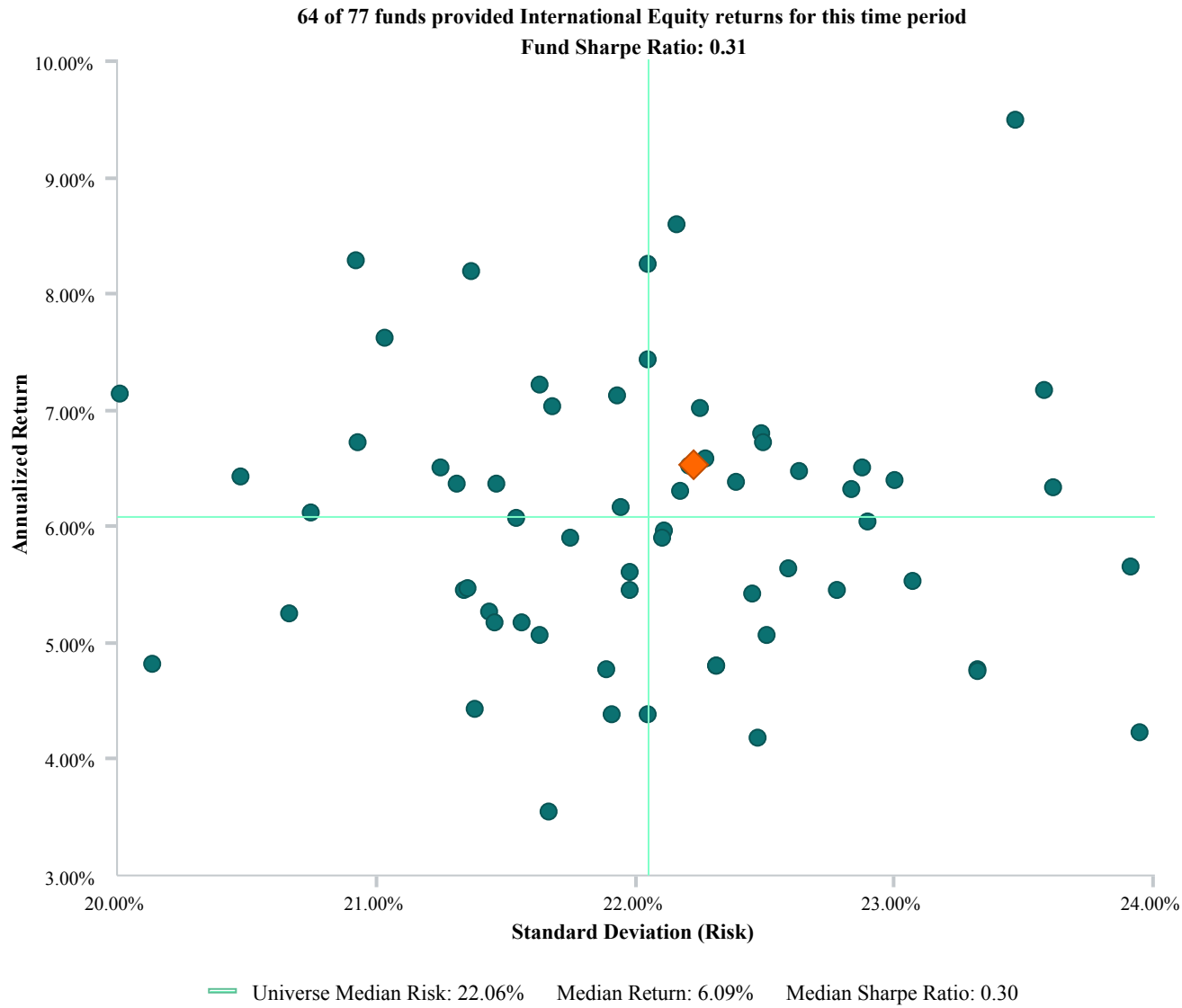


Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

10 Year Annualized International Equity Returns vs. Standard Deviation As of December 31, 2011

Fund Number: 105

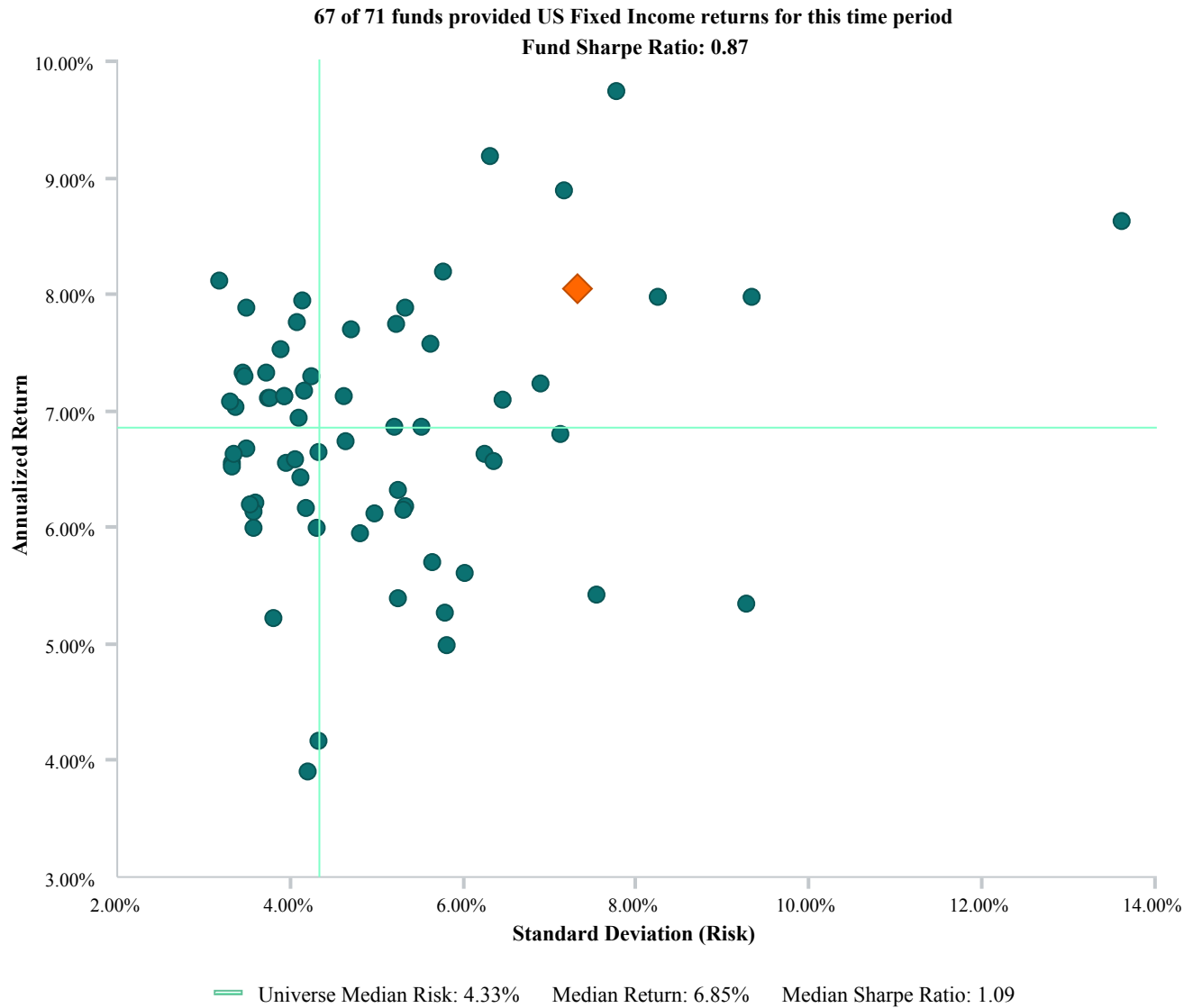


Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

5 Year Annualized US Fixed Income Returns vs. Standard Deviation As of December 31, 2011

Fund Number: 105

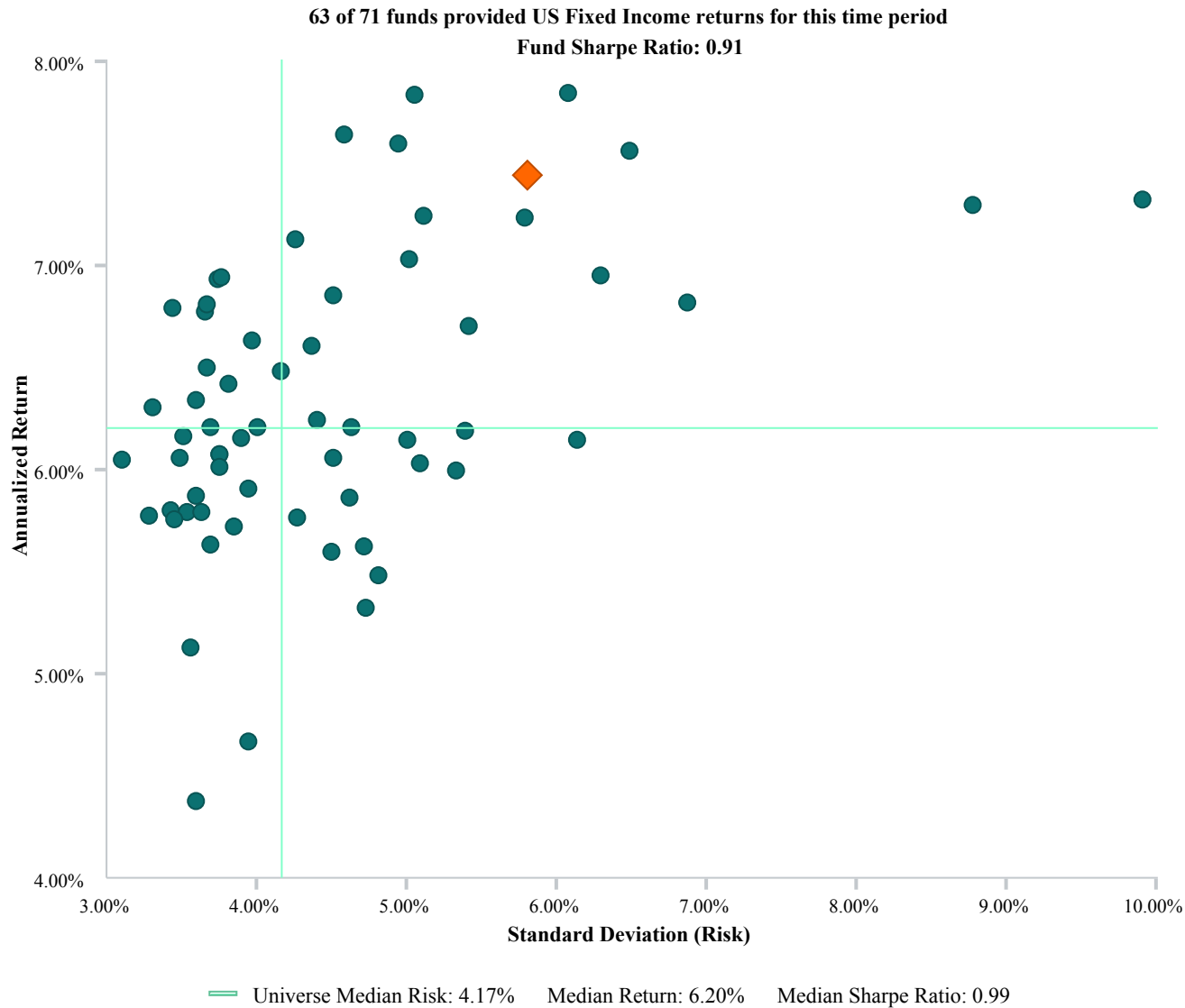


Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

10 Year Annualized US Fixed Income Returns vs. Standard Deviation As of December 31, 2011

Fund Number: 105



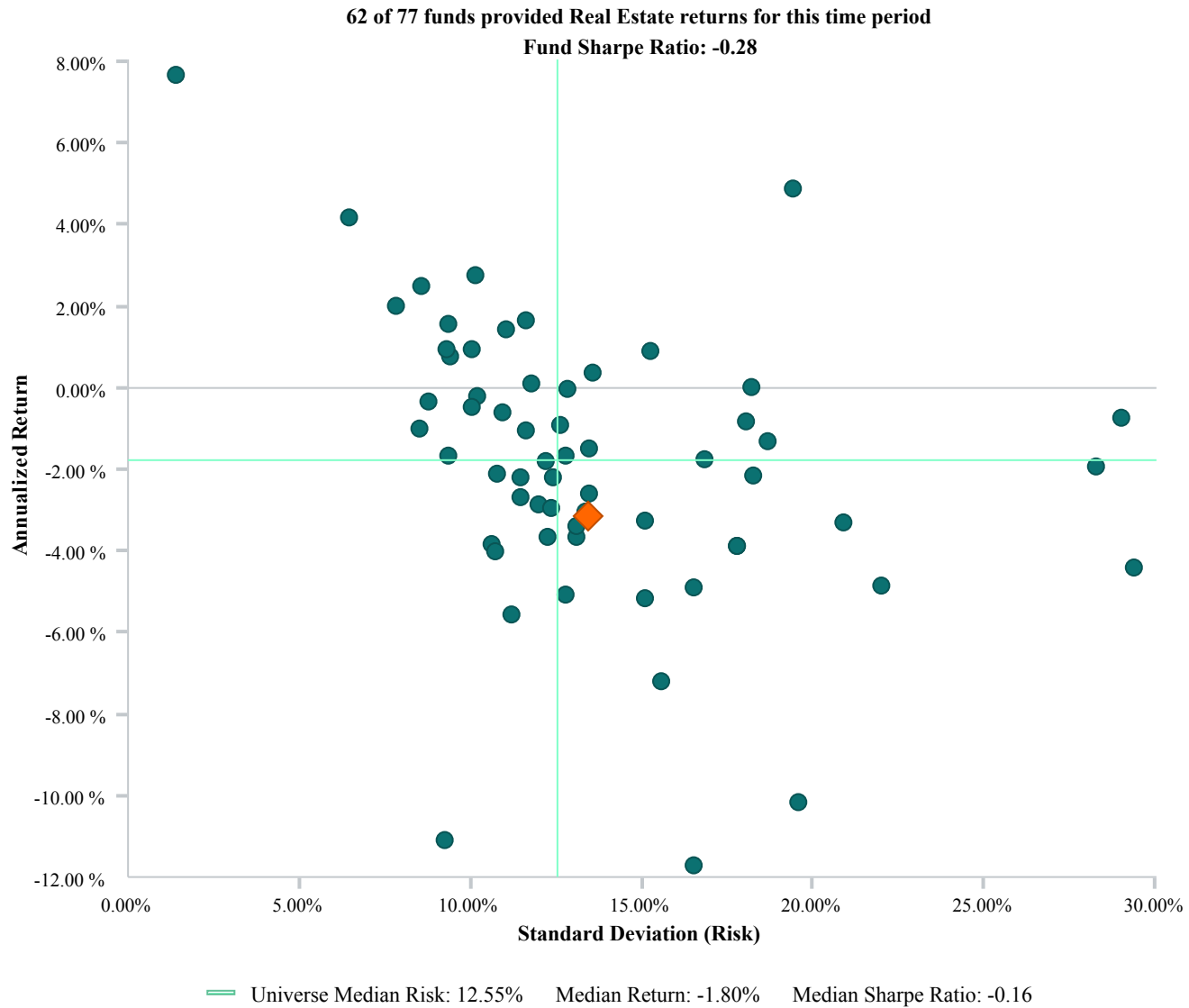
Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

5 Year Annualized Real Estate Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105



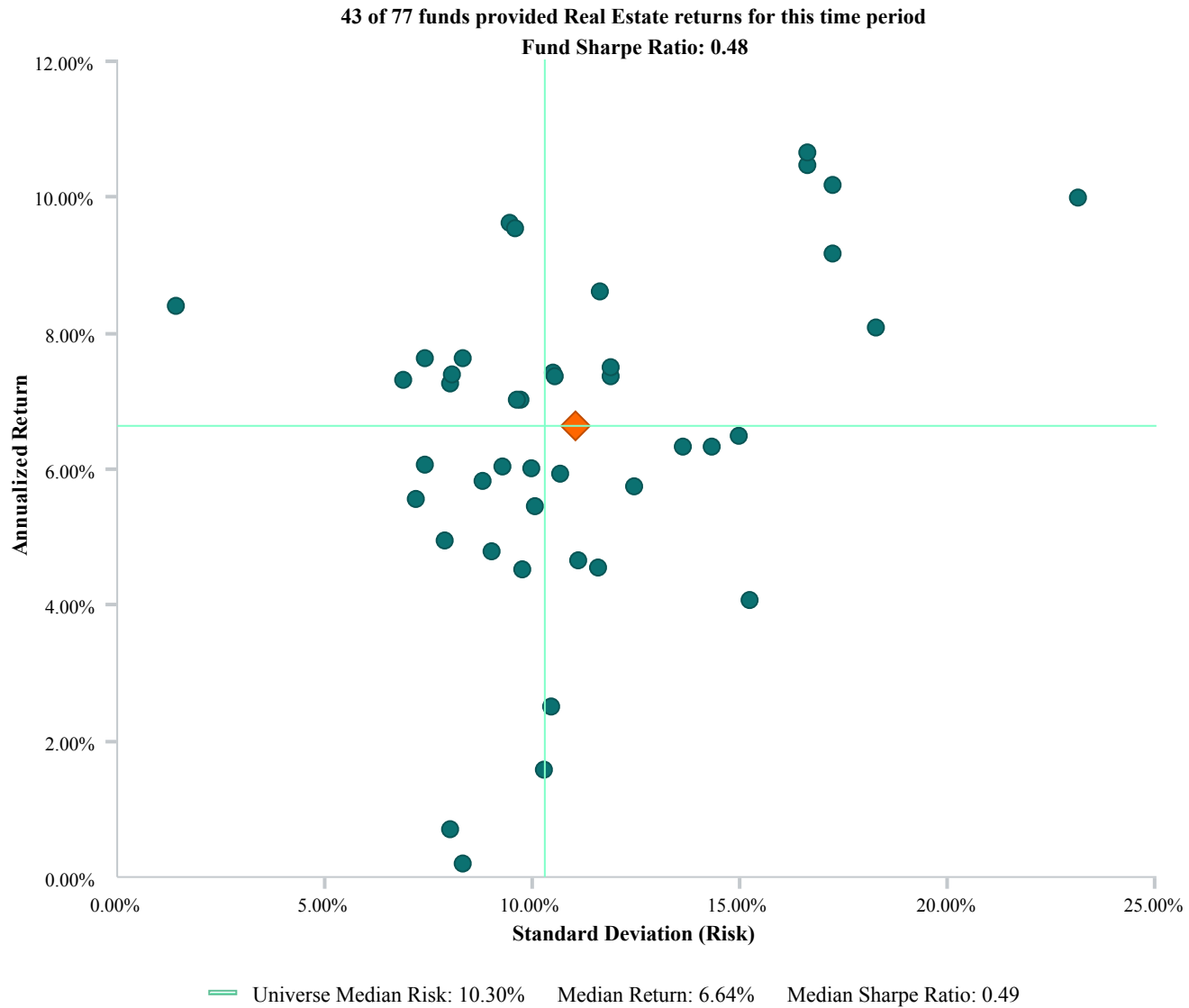
Funds with less history than the specified time period will not appear in the chart.

Risk/Return Analysis

10 Year Annualized Real Estate Returns vs. Standard Deviation

As of December 31, 2011

Fund Number: 105



Funds with less history than the specified time period will not appear in the chart.

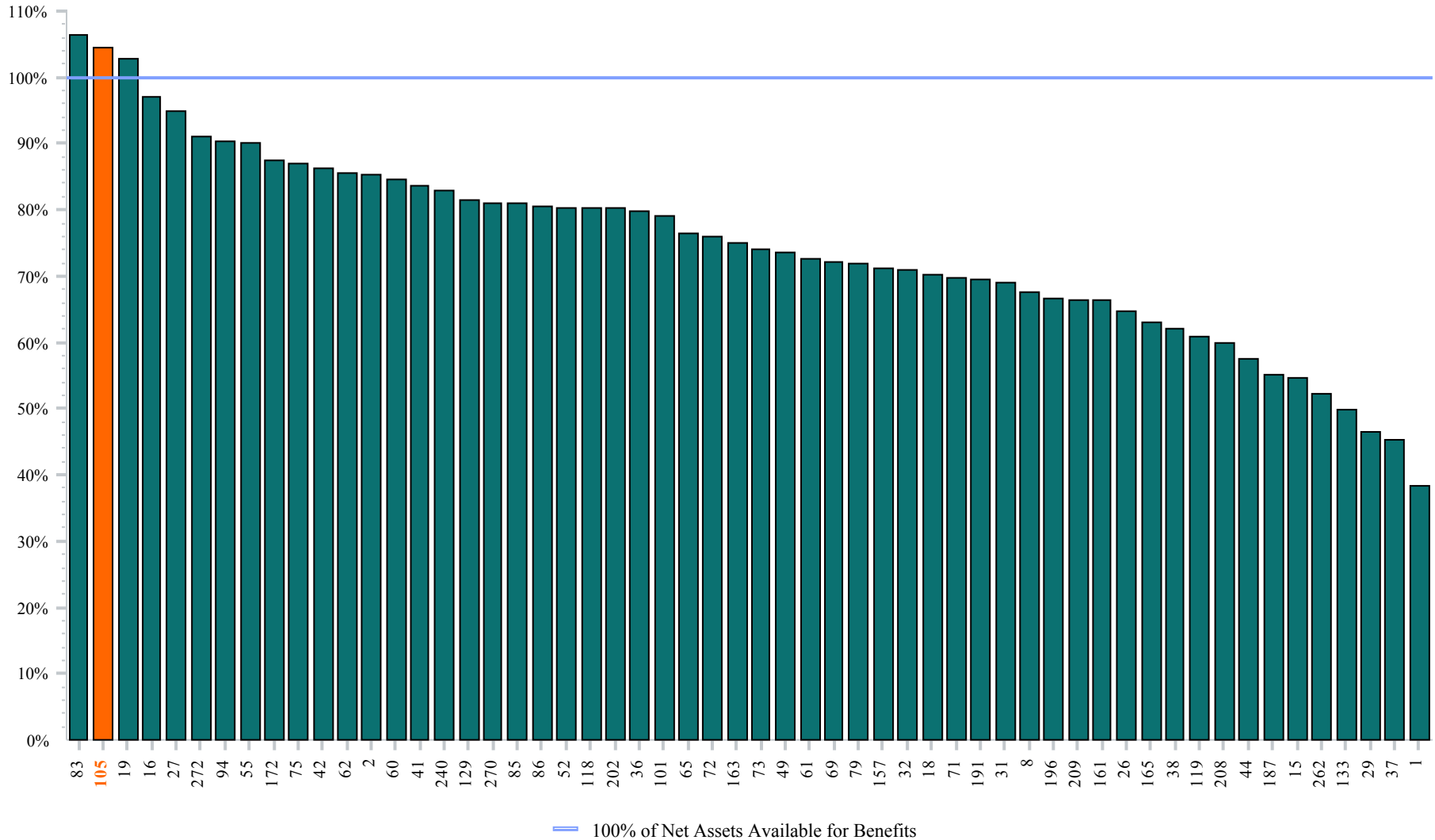
Net Assets Available For Benefits

Expressed as a Percentage of the Pension Benefit Obligation

As of December 31, 2011

Fund Number: 105

56 of 77 funds provided Net Assets Available data



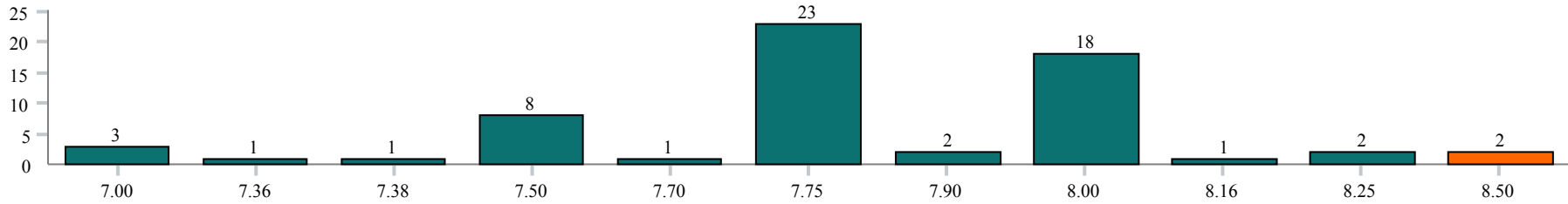
Funds that did not provide data will not appear in the chart.

Actuarial Assumption Rates

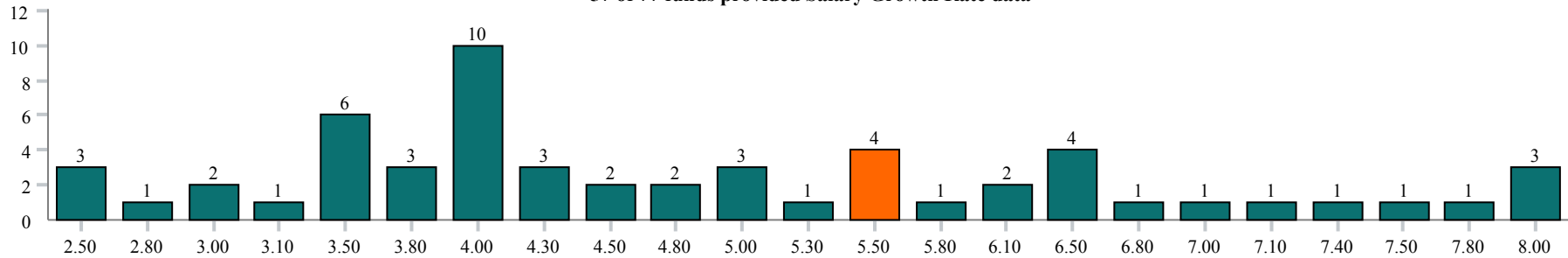
As of December 31, 2011

Fund Number: 105

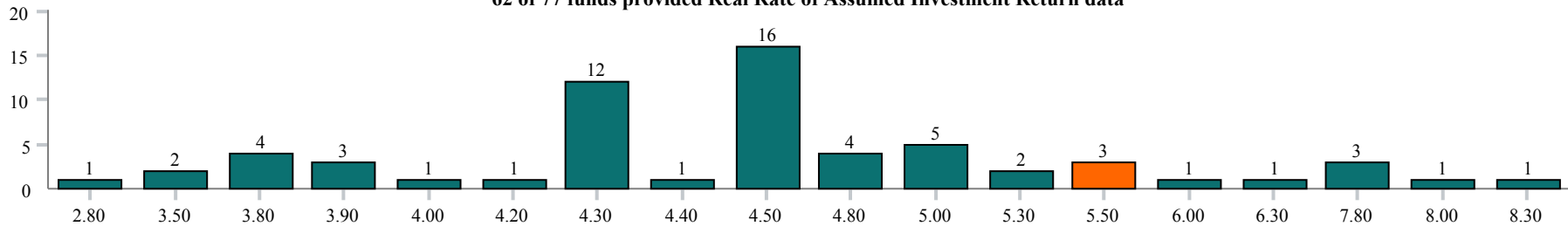
Actuarial Rate Assumptions - 7.75% Median
62 of 77 funds provided Actuarial Rate data



Salary Growth Rate Assumptions (Inflation plus Merit) - 4.25% Median
57 of 77 funds provided Salary Growth Rate data



Real Rate of Assumed Investment Return (Interest Rate minus Inflation) - 4.50% Median
62 of 77 funds provided Real Rate of Assumed Investment Return data



Milwaukee ERS

Funds that did not provide data will not appear in the chart.

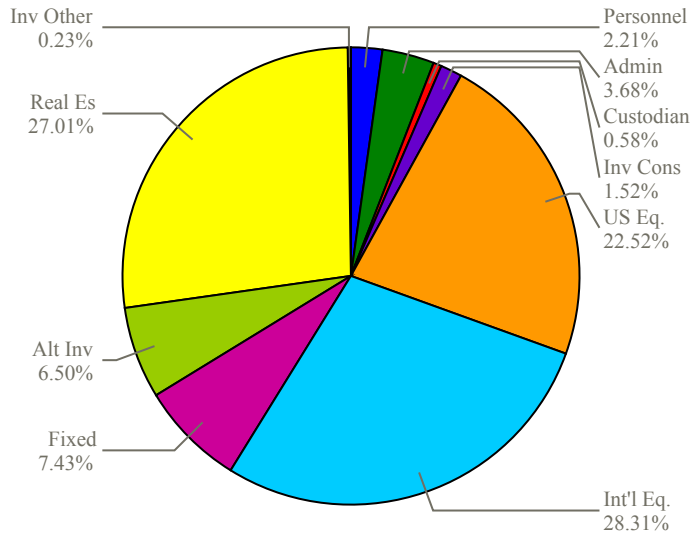
Total Administrative and Investment Fees

Milwaukee ERS vs. All Funds

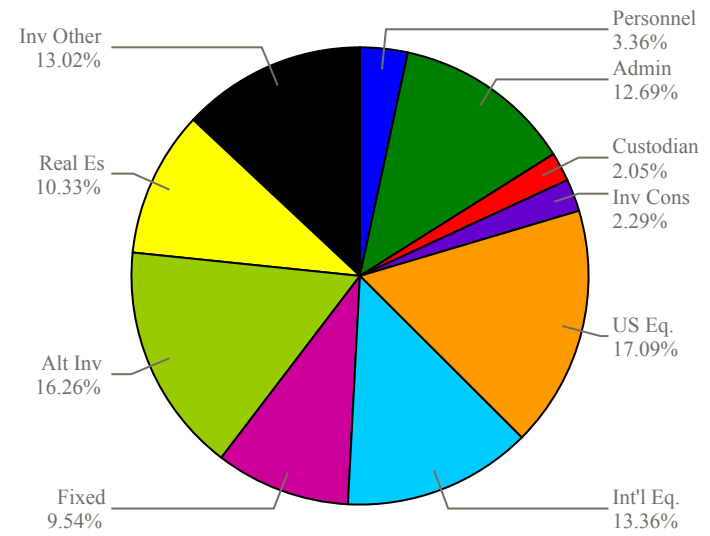
As of December 31, 2011

Fund Number: 105

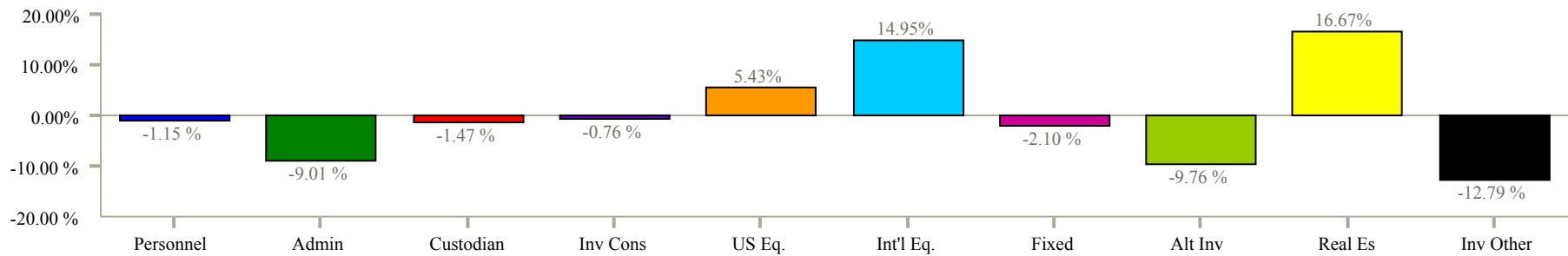
Milwaukee ERS



All Funds



Variance



Allocations shown may not sum up to 100% exactly due to rounding.

Total Fund Fee Summary in Basis Points

Milwaukee ERS vs. Average by Asset Range

As of December 31, 2011

Fund Number: 105

54 of 77 funds provided fee data for this time period

Administrative Expenses	Milwaukee ERS	Under \$500 Million	\$500mm - \$1 Billion	\$1 - \$5 Billion	\$5 - \$10 Billion	\$10 - \$20 Billion	Over \$20 Billion
Personnel	0.96	0.00	0.00	2.31	3.08	1.44	1.60
Actuary	0.39	1.13	0.59	0.75	0.30	0.11	0.18
Legal	0.39	0.23	1.06	1.93	1.08	0.14	0.19
Consultant	0.00	0.68	0.45	0.86	0.28	0.06	0.25
Audit	0.16	0.39	0.39	0.20	0.10	0.06	0.03
Other Professional	0.38	1.26	1.34	0.21	0.44	0.14	0.49
General Administrative	0.27	8.42	6.05	4.15	3.21	2.69	2.99
Total Administrative Expenses	2.55	12.12	9.87	10.42	8.50	4.65	5.74

Investment Expenses	Milwaukee ERS	Under \$500 Million	\$500mm - \$1 Billion	\$1 - \$5 Billion	\$5 - \$10 Billion	\$10 - \$20 Billion	Over \$20 Billion
Custodial	0.25	3.83	1.89	0.92	0.75	0.39	0.27
Investment Consulting	0.66	2.25	1.74	1.44	1.30	0.74	0.37
Domestic Equity	9.74	14.51	17.76	9.98	9.89	4.69	3.62
International Equity	12.24	7.30	7.29	9.35	5.97	6.23	4.83
Fixed Income	3.21	5.71	4.34	5.77	6.72	3.24	3.43
Real Estate	11.68	2.98	5.35	6.91	7.35	1.55	5.94
Other Investment Management	0.10	8.38	0.75	7.38	8.00	6.63	5.71
Total Investment Expenses (ex. Alt Inv)	37.88	44.97	39.12	41.73	39.97	23.48	24.17
Alternative Investments	2.81	2.18	5.63	8.47	12.55	2.66	12.94
Total Investment Expenses	40.69	47.16	44.75	50.20	52.52	26.14	37.11

Total Expenses	43.23	59.27	54.62	60.62	61.01	30.79	42.85
-----------------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

Expressed in basis points on total fund assets. Funds that did not provide fee data will not appear in the table.

Addendum and Glossary

As of December 31, 2011

Miscellaneous Comments

- Performance shown is gross of fees, with the exception of the following:
 - **Funds 36, 49, 127 and 128:** Performance shown is net of fees.
 - **Funds 5 and 20:** Performance shown is net of fees, except for Total Fund performance.
- Performance shown is calculated using quarterly performance provided by participating public funds.
- Performance shown may differ from a fund's actual performance due to rounding.
- Net Assets Available for Benefit includes funding percentage valuation as of dates between December 2010 and December 2011.
- Allocations shown reflect dedicated managers/mandates rather than actual exposure.

Glossary of Terms

Return - Compounded rate of return for the period.

%Return - The time-weighted rate of return of a portfolio for a specified time period.

Sharpe Ratio - Represents the excess rate of return over the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index), divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

Standard Deviation - A statistical measure of the range of a portfolio's performance. The variability of a return around its average return over a specified time period. Calculation is based on quarterly periodicity.