

Milwaukee County Employees' Retirement System (ERS)

Investment Committee Meeting

MINUTES

Call to Order

Committee Chairperson, Dr. Sarah Peck, called the meeting to order at 2:30 p.m. on October 3, 2011, in Room 201-B, Milwaukee County Courthouse, 901 N. 9th Street, Milwaukee, Wisconsin.

Roll Call

Board Members Present:

Sarah Peck
Keith Garland
Rex Queen

Others Present:

Marian Ninneman Brett Christensen
Dale Yerkes Ray Caprio

Three handouts were provided to the Board members and others in attendance:

- Marquette Associates – Market Update – 9/30/11
- Memo: Team Change at Morgan Stanley Prime Property Fund
- Private Equity Review / Statement of Investment Policy

1. Topic: Monthly Flash Report – Marquette

No monthly flash report was available at the time of this meeting. Mr. Christensen said that the markets were down again in September. He said this has not been a good quarter overall, rankings for our fund were okay, but we are better protected than our peer group because of the conservative asset allocation.

2. Topic: Asset Allocation -- Marquette

We briefly reviewed the Current Private Equity Portfolio as of 6/30/11 and had discussion regarding our commitment into the fund. Brett stressed that it is important to figure out how much new money to commit, because once its committed, you cannot take it back.

3. Topic: Investment Policy Statement -- Marquette

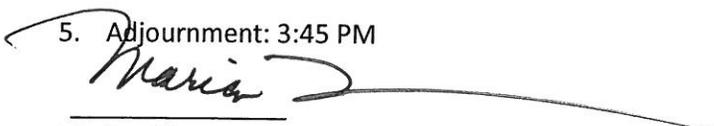
Marquette presented a red-lined investment policy statement for review. Marquette will send to Steven Huff, outside legal counsel, for review. Marian Ninneman will forward to the full Board for discussion at the October Board meeting.

4. Topic: Investment Manager Alerts

Mr. Caprio discussed the memo regarding the team change at Morgan Stanley. David Morrison, co-portfolio manager of PRIME and Head of Research & Strategy for Morgan Stanley Real Estate Investing, is leaving. Because he is joining a non-competing firm, there is no reason for an alert.

Reinhart has been placed on alert. A meeting with Reinhart and the Board will be requested.

5. Adjournment: 3:45 PM


Marian Ninneman
Interim ERS Manager