MarquetteAssociates

Milwaukee County

Employees' Retirement System

of Milwaukee County

Monthly Update

April 30, 2012

Market Value: $1,765.2 Million and 100.0% of Fund

Investment Manager	Asset Class	Status	Reason
J.P. Morgan	Core Fixed Income	In Compliance	---
Mellon Capital	Core Fixed Income	In Compliance	---
Boston Partners	Large-Cap Value	In Compliance	---
Mellon Capital - Non Lending	Large-Cap Core	In Compliance	---
Artisan Partners	Mid-Cap Growth	In Compliance	---
I Shares MCG	Mid-Cap Growth	In Compliance	---
AQR	Small-Cap Value	In Compliance	---
Fiduciary Management	Small-Cap Value	In Compliance	---
Barings	Non-U.S. Large-Cap Core	In Compliance	---
GMO Large-Cap	Non-U.S. Large-Cap Value	On Notice	Performance
GMO Small-Cap	Non-U.S. Small-Cap Value	In Compliance	---
Barings EM	Emerging Markets	Alert	Performance
ABS	Hedged Equity Hedge FoF	Alert	Performance
K2	Hedged Equity Hedge FoF	In Compliance	---
American Realty Advisors	Core Real Estate	Alert	Professional Turnover
Morgan Stanley	Core Real Estate	Alert	Professional Turnover
Trumbull Property Fund	Core Real Estate	In Compliance	---
IFM	Core Infrastructure	In Compliance	---
J.P. Morgan	Core Infrastructure	In Compliance	---
Adams Street	Private Equity	In Compliance	---

Investment Manager Evaluation Terminology

The following terminology has been developed by Marquette Associates to facilitate efficient communication among the Investment Manager, Investment Consultant, and the Plan Sponsor. Each term signifies a particular status with the Fund and any conditions that may require improvement. In each case, communication is made only after consultation with the Trustees and/or the Investment Committee of the Plan.

In Compliance – The investment manager states it is acting in accordance with the Investment Policy Guidelines.

Alert – The investment manager is notified of a problem in performance (usually related to a benchmark or volatility measure), a change in investment characteristics, an alteration in management style or key investment professionals, and/or any other irregularities.

On Notice – The investment manager is notified of continued concern with one or more Alert issues. Failure to improve upon stated issues within a specific time frame justifies termination.

Termination – The Trustees have decided to terminate the investment manager. The investment manager is notified and transition plans are in place.

Total Fund Composite

Market Value: $1,765.2 Million and 100.0% of Fund

Ending April 30, 2012

	Asset Class	Market Value ($)	3 Mo Net Cash Flows ($)	% of Portfolio	Policy %	Policy Difference ($)
Total Fund Composite		**1,765,184,197**	**-36,294,382**	**100.0**	**100.0**	**0**
Fixed Income Composite		**485,990,629**	**-146,391**	**27.5**	**29.0**	**-25,912,770**
J.P. Morgan	Core Fixed Income	325,430,525	-130,425	18.4		
Mellon Capital	Core Fixed Income	160,560,105	-15,966	9.1		
U.S. Equity Composite		**419,765,549**	**-30,417,951**	**23.8**	**23.0**	**13,773,184**
Boston Partners	Large-Cap Value	124,884,810	-17,563,376	7.1	7.0	1,321,916
Mellon Capital - Non Lending	Large-Cap Core	106,758,661	-12,510,848	6.0	6.0	847,609
Artisan Partners	Mid-Cap Growth	52,492,118	-82,089	3.0	2.5	8,362,513
I Shares MCG	Mid-Cap Growth	41,062,985	-76,446	2.3	2.5	-3,066,620
AQR	Small-Cap Value	43,568,992	-102,247	2.5	2.5	-560,613
Fiduciary Management	Small-Cap Value	50,997,984	-82,944	2.9	2.5	6,868,379
International Equity Composite		**333,876,172**	**0**	**18.9**	**18.0**	**16,142,999**
Barings	Non-U.S. Large-Cap Core	117,893,539	0	6.7	6.0	11,982,488
GMO Large-Cap	Non-U.S. Large-Cap Value	91,884,707	0	5.2	6.0	-14,026,345
GMO Small-Cap	Non-U.S. Small-Cap Value	67,013,788	0	3.8	3.0	14,058,262
Barings EM	Emerging Markets	57,084,138	0	3.2	3.0	4,128,612
Hedged Equity Composite		**182,683,845**	**0**	**10.3**	**10.0**	**6,165,425**
ABS	Hedged Equity Hedge FoF	93,350,450	0	5.3	5.0	5,091,240
K2	Hedged Equity Hedge FoF	89,333,394	0	5.1	5.0	1,074,185
Real Estate Composite		**135,819,166**	**2,741,642**	**7.7**	**7.0**	**12,256,273**
American Realty Advisors	Core Real Estate	31,881,874	4,056,472	1.8		
Morgan Stanley	Core Real Estate	88,602,577	-1,149,984	5.0		
Trumbull Property Fund	Core Real Estate	15,295,449	-156,427	0.9		
Infrastructure Composite		**132,768,469**	**-1,769,984**	**7.5**	**7.0**	**9,205,575**
IFM	Core Infrastructure	73,404,002	-750,000	4.2	3.5	11,622,555
J.P. Morgan	Core Infrastructure	59,364,467	-1,019,984	3.4	3.5	-2,416,980

Total Fund Composite

Market Value: $1,765.2 Million and 100.0% of Fund

Ending April 30, 2012

	Asset Class	Market Value ($)	3 Mo Net Cash Flows ($)	% of Portfolio	Policy %	Policy Difference ($)
Private Equity Composite		**26,884,759**	**-635,164**	**1.5**	**6.0**	**-79,026,293**
Progress	U.S. Private Equity FoF	19,655	0	0.0		
Brinson 1998	U.S. Private Equity FoF	312,981	0	0.0		
Brinson 1999	U.S. Private Equity FoF	407,677	0	0.0		
Brinson 2000	U.S. Private Equity FoF	1,305,060	-216,090	0.1		
Brinson 2001	U.S. Private Equity FoF	2,426,616	-237,171	0.1		
Brinson 2002	U.S. Private Equity FoF	1,612,137	-281,366	0.1		
Brinson 2003	U.S. Private Equity FoF	1,347,411	-141,840	0.1		
Brinson 2004	U.S. Private Equity FoF	2,146,040	-112,532	0.1		
Adams Street 2005	U.S. Private Equity FoF	7,324,040	-61,971	0.4		
Adams Street 2009	U.S. Private Equity FoF	9,983,142	415,806	0.6		
Separate Account	Divers. Private Equity	0	0	0.0		
Total Cash Equivalents		**47,395,608**	**-6,066,534**	**2.7**	**0.0**	**47,395,608**

Total Fund Composite

Annualized Performance (Gross of Fees)

Market Value: $1,765.2 Million and 100.0% of Fund

Ending April 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	**-0.1**	**3.0**	**6.4**	**1.2**	**7.4**	**12.9**	**3.1**	**2.3**	**5.8**	**7.0**
Total Fund Benchmark	*-0.1*	*3.5*	*7.2*	*3.4*	*8.6*	*13.5*	*3.1*	*2.5*	*5.7*	*6.4*
Fixed Income Composite	**1.1**	**0.8**	**1.7**	**7.4**	**6.4**	**9.5**	**6.9**	**6.6**	**6.4**	**7.1**
Barclays Capital Aggregate	*1.1*	*0.5*	*1.4*	*7.5*	*6.4*	*7.1*	*6.2*	*6.4*	*5.7*	*5.7*
U.S. Equity Composite	**-0.4**	**7.1**	**13.3**	**1.9**	**10.5**	**20.5**	**4.4**	**2.4**	**6.4**	**6.1**
Dow Jones U.S. Total Stock Market (Full-Cap)	*-0.7*	*6.8*	*12.3*	*3.4*	*10.7*	*20.0*	*3.2*	*1.6*	*5.7*	*5.5*
International Equity Composite	**-1.6**	**2.1**	**9.1**	**-12.6**	**2.7**	**12.3**	**-4.8**	**-4.8**	**0.5**	**3.2**
MSCI ACWI ex USA Gross	*-1.5*	*2.7*	*9.7*	*-12.5*	*2.6*	*14.0*	*-3.8*	*-2.3*	*5.7*	*7.5*
Hedged Equity Composite	**-0.2**	**2.1**	**4.9**	**-2.5**	**2.5**	**--**	**--**	**--**	**--**	**--**
HFRX Equity Hedge Index	*-0.1*	*1.7*	*3.8*	*-12.9*	*-5.0*	*0.3*	*-5.7*	*-5.3*	*-0.9*	*0.6*
Russell 3000	*-0.7*	*6.7*	*12.1*	*3.4*	*10.6*	*19.9*	*2.9*	*1.2*	*5.3*	*5.2*
MSCI ACWI	*-1.1*	*4.5*	*10.6*	*-5.7*	*5.7*	*15.9*	*-1.6*	*-1.3*	*4.8*	*5.6*
Real Estate Composite	**0.0**	**3.0**	**3.0**	**12.1**	**13.4**	**25.7**	**1.4**	**-1.2**	**6.5**	**10.2**
Custom Real Estate Benchmark	*0.0*	*1.7*	*2.6*	*12.0*	*11.1*	*26.1*	*-0.6*	*-3.6*	*4.7*	*9.6*
NFI	*0.0*	*1.9*	*2.8*	*13.0*	*16.5*	*5.2*	*-3.6*	*-0.8*	*4.4*	*6.4*
Infrastructure Composite	**0.1**	**1.8**	**2.4**	**4.4**	**--**	**--**	**--**	**--**	**--**	**--**
CPI +4%	*0.3*	*2.2*	*3.0*	*6.1*	*6.7*	*6.6*	*5.7*	*6.2*	*6.5*	*6.6*
Private Equity Composite	**0.0**	**0.0**	**0.0**	**3.6**	**11.6**	**14.2**	**3.3**	**5.1**	**12.7**	**10.3**
Venture Economics All PE	*0.0*	*0.0*	*0.0*	*2.8*	*11.3*	*14.6*	*4.2*	*5.0*	*10.3*	*10.1*

Annualized Performance (Gross of Fees)

Market Value: $1,765.2 Million and 100.0% of Fund

Ending April 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	**-0.1**	**3.0**	**6.4**	**1.2**	**7.4**	**12.9**	**3.1**	**2.3**	**5.8**	**7.0**
Total Fund Benchmark	*-0.1*	*3.5*	*7.2*	*3.4*	*8.6*	*13.5*	*3.1*	*2.5*	*5.7*	*6.4*
Fixed Income Composite	**1.1**	**0.8**	**1.7**	**7.4**	**6.4**	**9.5**	**6.9**	**6.6**	**6.4**	**7.1**
Barclays Capital Aggregate	*1.1*	*0.5*	*1.4*	*7.5*	*6.4*	*7.1*	*6.2*	*6.4*	*5.7*	*5.7*
J.P. Morgan	1.0	0.9	1.9	7.2	6.5	7.8	6.8	6.6	--	--
Barclays Capital Aggregate	*1.1*	*0.5*	*1.4*	*7.5*	*6.4*	*7.1*	*6.2*	*6.4*	*5.7*	*5.7*
Mellon Capital	1.1	0.6	1.5	7.5	6.5	7.0	6.2	6.4	5.7	5.7
Barclays Capital Aggregate	*1.1*	*0.5*	*1.4*	*7.5*	*6.4*	*7.1*	*6.2*	*6.4*	*5.7*	*5.7*
U.S. Equity Composite	**-0.4**	**7.1**	**13.3**	**1.9**	**10.5**	**20.5**	**4.4**	**2.4**	**6.4**	**6.1**
Dow Jones U.S. Total Stock Market (Full-Cap)	*-0.7*	*6.8*	*12.3*	*3.4*	*10.7*	*20.0*	*3.2*	*1.6*	*5.7*	*5.5*
Boston Partners	-0.6	8.3	13.9	4.3	10.4	19.4	4.7	2.2	7.2	6.7
Russell 1000 Value	*-1.0*	*6.0*	*10.0*	*1.0*	*7.9*	*18.3*	*0.2*	*-1.7*	*3.6*	*4.8*
Mellon Capital - Non Lending	-0.6	7.1	11.9	4.8	10.8	19.4	2.5	1.0	4.9	4.7
S&P 500	*-0.6*	*7.1*	*11.9*	*4.8*	*10.8*	*19.5*	*2.5*	*1.0*	*4.9*	*4.7*
Artisan Partners	0.5	10.0	21.8	8.3	21.1	27.7	10.7	9.1	12.0	9.9
Russell MidCap Growth	*0.0*	*6.8*	*14.5*	*0.8*	*13.3*	*23.6*	*5.0*	*3.5*	*7.8*	*7.5*
I Shares MCG	0.0	6.7	12.3	--	--	--	--	--	--	--
Russell MidCap Growth	*0.0*	*6.8*	*14.5*	*0.8*	*13.3*	*23.6*	*5.0*	*3.5*	*7.8*	*7.5*
AQR	-2.0	2.2	9.7	-5.8	4.8	21.1	4.1	-0.3	--	--
Russell 2000 Value	*-1.4*	*3.1*	*10.0*	*-4.1*	*4.8*	*18.8*	*3.6*	*-0.5*	*5.1*	*6.1*
Fiduciary Management	1.0	5.3	9.9	-3.6	7.2	--	--	--	--	--
Russell 2000 Value	*-1.4*	*3.1*	*10.0*	*-4.1*	*4.8*	*18.8*	*3.6*	*-0.5*	*5.1*	*6.1*
International Equity Composite	**-1.6**	**2.1**	**9.1**	**-12.6**	**2.7**	**12.3**	**-4.8**	**-4.8**	**0.5**	**3.2**
MSCI ACWI ex USA Gross	*-1.5*	*2.7*	*9.7*	*-12.5*	*2.6*	*14.0*	*-3.8*	*-2.3*	*5.7*	*7.5*
Barings	-0.3	3.8	11.2	-7.5	5.4	13.5	-4.2	--	--	--
MSCI EAFE	*-2.0*	*3.2*	*8.7*	*-12.8*	*1.9*	*11.8*	*-5.4*	*-4.7*	*3.3*	*5.4*
GMO Large-Cap	-3.2	0.0	4.1	-16.0	0.4	9.2	-6.6	-5.8	2.2	6.5
MSCI EAFE	*-2.0*	*3.2*	*8.7*	*-12.8*	*1.9*	*11.8*	*-5.4*	*-4.7*	*3.3*	*5.4*
MSCI EAFE Value	*-3.1*	*1.1*	*6.4*	*-15.6*	*-0.7*	*9.3*	*-6.7*	*-6.6*	*2.2*	*5.4*
GMO Small-Cap	-2.0	4.4	11.4	-13.4	4.1	--	--	--	--	--
MSCI EAFE Small Cap Gross	*-0.4*	*5.7*	*14.4*	*-11.0*	*5.2*	*18.5*	*-0.9*	*-3.3*	*4.9*	*9.9*
Barings EM	-1.4	-0.4	10.5	-16.1	-0.2	--	--	--	--	--
MSCI Emerging Markets	*-1.2*	*1.2*	*12.7*	*-12.6*	*2.7*	*18.3*	*-1.4*	*3.5*	*12.4*	*13.9*
Hedged Equity Composite	**-0.2**	**2.1**	**4.9**	**-2.5**	**2.5**	**--**	**--**	**--**	**--**	**--**
HFRX Equity Hedge Index	*-0.1*	*1.7*	*3.8*	*-12.9*	*-5.0*	*0.3*	*-5.7*	*-5.3*	*-0.9*	*0.6*
Russell 3000	*-0.7*	*6.7*	*12.1*	*3.4*	*10.6*	*19.9*	*2.9*	*1.2*	*5.3*	*5.2*
MSCI ACWI	*-1.1*	*4.5*	*10.6*	*-5.7*	*5.7*	*15.9*	*-1.6*	*-1.3*	*4.8*	*5.6*
ABS	-0.3	1.6	3.9	-2.6	2.8	--	--	--	--	--
HFRX Equity Hedge Index	*-0.1*	*1.7*	*3.8*	*-12.9*	*-5.0*	*0.3*	*-5.7*	*-5.3*	*-0.9*	*0.6*
Russell 3000	*-0.7*	*6.7*	*12.1*	*3.4*	*10.6*	*19.9*	*2.9*	*1.2*	*5.3*	*5.2*
MSCI ACWI	*-1.1*	*4.5*	*10.6*	*-5.7*	*5.7*	*15.9*	*-1.6*	*-1.3*	*4.8*	*5.6*
K2	-0.1	2.6	6.0	-2.4	2.1	--	--	--	--	--
HFRX Equity Hedge Index	*-0.1*	*1.7*	*3.8*	*-12.9*	*-5.0*	*0.3*	*-5.7*	*-5.3*	*-0.9*	*0.6*
Russell 3000	*-0.7*	*6.7*	*12.1*	*3.4*	*10.6*	*19.9*	*2.9*	*1.2*	*5.3*	*5.2*
MSCI ACWI	*-1.1*	*4.5*	*10.6*	*-5.7*	*5.7*	*15.9*	*-1.6*	*-1.3*	*4.8*	*5.6*

Investment Manager

Annualized Performance (Gross of Fees)

Market Value: $1,765.2 Million and 100.0% of Fund

Ending April 30, 2012

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Real Estate Composite	**0.0**	**3.0**	**3.0**	**12.1**	**13.4**	**25.7**	**1.4**	**-1.2**	**6.5**	**10.2**
Custom Real Estate Benchmark	*0.0*	*1.7*	*2.6*	*12.0*	*11.1*	*26.1*	*-0.6*	*-3.6*	*4.7*	*9.6*
NFI	*0.0*	*1.9*	*2.8*	*13.0*	*16.5*	*5.2*	*-3.6*	*-0.8*	*4.4*	*6.4*
American Realty Advisors	0.0	3.0	3.0	13.4	--	--	--	--	--	--
NFI	*0.0*	*1.9*	*2.8*	*13.0*	*16.5*	*5.2*	*-3.6*	*-0.8*	*4.4*	*6.4*
Morgan Stanley	0.0	3.0	3.0	16.5	--	--	--	--	--	--
NFI	*0.0*	*1.9*	*2.8*	*13.0*	*16.5*	*5.2*	*-3.6*	*-0.8*	*4.4*	*6.4*
Trumbull Property Fund	0.0	3.0	3.0	--	--	--	--	--	--	--
NFI	*0.0*	*1.9*	*2.8*	*13.0*	*16.5*	*5.2*	*-3.6*	*-0.8*	*4.4*	*6.4*
Infrastructure Composite	**0.1**	**1.8**	**2.4**	**4.4**	**--**	**--**	**--**	**--**	**--**	**--**
CPI +4%	*0.3*	*2.2*	*3.0*	*6.1*	*6.7*	*6.6*	*5.7*	*6.2*	*6.5*	*6.6*
IFM	0.1	3.3	4.5	3.5	--	--	--	--	--	--
CPI +4%	*0.3*	*2.2*	*3.0*	*6.1*	*6.7*	*6.6*	*5.7*	*6.2*	*6.5*	*6.6*
J.P. Morgan	0.0	0.0	0.0	5.5	--	--	--	--	--	--
CPI +4%	*0.3*	*2.2*	*3.0*	*6.1*	*6.7*	*6.6*	*5.7*	*6.2*	*6.5*	*6.6*
Private Equity Composite	**0.0**	**0.0**	**0.0**	**3.6**	**11.6**	**14.2**	**3.3**	**5.1**	**12.7**	**10.3**
Venture Economics All PE	*0.0*	*0.0*	*0.0*	*2.8*	*11.3*	*14.6*	*4.2*	*5.0*	*10.3*	*10.1*

Market Value: $1,765.2 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee [1]	Industry Average [2]
Core Fixed Income	J.P. Morgan	0.20% on the first $100 million 0.15% on the Balance	0.17% $538,146	0.24%
Core Fixed Income	Mellon Capital	0.04% on the first $200 million 0.02% on the Balance	0.04% $64,224	0.08%
Large-Cap Value	Boston Partners	0.40% on the first $15 million 0.30% on the next $25 million 0.20% on the next $25 million 0.15% on the next $35 million 0.10% on the Balance	0.21% $262,385	0.51%
Large-Cap Core	Mellon Capital - Non Lending	0.04% on the first $200 million 0.02% on the Balance	0.04% $42,703	0.09%
Mid-Cap Growth	Artisan Partners	0.80% on the first $50 million 0.60% on the next $50 million 0.50% on the Balance	0.79% $414,953	0.68%
Mid-Cap Growth	I Shares MCG	0.25% on the Balance	0.25% $102,657	0.27%
Small-Cap Value	AQR	1.00% on the first $25 million 0.85% on the next $50 million 0.75% on the Balance	0.94% $407,836	0.95%
Small-Cap Value	Fiduciary Management	0.70% on the first $10 million 0.65% on the next $40 million 0.60% on the next $25 million 0.50% on the Balance	0.66% $335,988	0.83%
Non-U.S. Large-Cap Core	Barings	0.75% on the Balance	0.75% $884,202	0.68%
Non-U.S. Large-Cap Value	GMO Large-Cap	0.67% on the Balance	0.67% $615,628	1.04%
Non-U.S. Small-Cap Value	GMO Small-Cap	0.75% on the Balance	0.75% $502,603	1.16%
Emerging Markets	Barings EM	0.75% on the Balance	0.75% $428,131	0.92%
Hedged Equity Hedge FoF	ABS	0.85% on the Balance ***redemptions quarterly with 45 days notice**	0.85% $793,479	1.37%
Hedged Equity Hedge FoF	K2	0.90% on the Balance ***redemptions quarterly with 91 days notice**	0.90% $804,001	1.37%

Total Fund Composite

Fee Schedule

Market Value: $1,765.2 Million and 100.0% of Fund

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee [1]	Industry Average [2]
Core Real Estate	American Realty Advisors	0.95% on the Balance	0.95% $302,878	1.03%
Core Real Estate	Morgan Stanley	0.90% on the Balance	0.90% $797,423	1.03%
Core Real Estate	Trumbull Property Fund	0.955% on the first $10 million 0.825% on the next $15 million 0.805% on the next $25 million 0.79% on the next $50 million 0.67% on the next $150 million 0.60% on the Balance	0.91% $139,187	1.03%
Core Infrastructure	IFM	1.25% on the first $250 million 1.15% on the next $250 million 1.00% on the Balance **(two year hard lock)3** **Performance Fee:** **20% of return above 8% on a rolling three year basis** **(begins 12/31/11)**	1.25% $917,550	1.80%
Core Infrastructure	J.P. Morgan	2.00% on the Balance **(six year soft lock, no performance fee)3**	2.00% $1,187,289	1.80%
Private Equity	Adams Street	0.90% on the Balance **until 2016** ***based on $40mm commitment**	0.90% $241,963	1.11%
Cash Overlay	BNY Beta Management	0.025% on the Balance	0.03% $11,849	0.20%
Total Investment Management Fees			**0.55%** **$9,795,075**	**1.81%**
Custodian	BNY Mellon	$50,000 Flat Annual Fee	$50,000	N/A
Total Fund			**0.56%** **$9,845,075**	

[1] Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.
[2] Source: 2010 Marquette Associates Investment Management Fee Study.
[3] Hard Lock-Up - investors can withdraw 2.5% per quarter, free of charge during lock-up period. Soft Lock-Up - investors can withdraw semi-annually with a 6% redemtpion fee charged during lock-up period (4% to the Fund and 2% to the manager).