



Pension Plan

Employees' Retirement System
of Milwaukee County
Monthly Update
February 28, 2015

Total Fund Composite

Manager Status

Market Value: \$1,802.1 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	Large-Cap Core	In Compliance	---
Artisan Partners	Mid-Cap Growth	In Compliance	---
Geneva Capital	Mid-Cap Growth	Alert	Performance
Silvercrest Asset Management	Small-Cap Value	In Compliance	---
Fiduciary Management	Small-Cap Value	In Compliance	---
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	In Compliance	---
Vontobel Asset Management	Non-U.S. Large-Cap Core	In Compliance	---
GMO Small-Cap	Non-U.S. Small-Cap Value	In Compliance	---
OFI Institutional Asset Management	Emerging Markets	In Compliance	---
ABS	Hedged Equity Hedge FoF	Alert	Performance
K2	Hedged Equity Hedge FoF	Alert	Organizational Issues
American Realty Advisors	Core Real Estate	In Compliance	---
Morgan Stanley	Core Real Estate	In Compliance	---
UBS	Core Real Estate	In Compliance	---
IFM	Core Infrastructure	In Compliance	---
J.P. Morgan	Core Infrastructure	In Compliance	---
Adams Street	Private Equity	In Compliance	---
Siguler Guff	U.S. Private Equity FoF	In Compliance	---
Mesirow VI	U.S. Private Equity FoF	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: \$1,802.1 Million and 100.0% of Fund

Ending February 28, 2015

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		1,802,108,892	-50,147,848	100.0	100.0	0
Fixed Income Composite		341,916,887	-10,121,516	19.0	22.0	-54,547,069
J.P. Morgan	Core Fixed Income	272,544,384	-114,582	15.1		
Mellon Capital	Core Fixed Income	69,372,503	-10,006,934	3.8		
U.S. Equity Composite		471,626,017	-15,416,340	26.2	25.0	21,098,794
Boston Partners	Large-Cap Value	148,350,331	-70,499	8.2	8.0	4,181,620
Mellon Capital	Large-Cap Core	115,028,340	-5,011,199	6.4	6.0	6,901,807
Artisan Partners	Mid-Cap Growth	48,223,162	-93,453	2.7	2.5	3,170,440
Geneva Capital	Mid-Cap Growth	48,013,825	-5,063,770	2.7	2.5	2,961,103
Fiduciary Management	Small-Cap Value	56,386,540	-2,589,971	3.1	3.0	2,323,273
Silvercrest Asset Management	Small-Cap Value	55,623,818	-2,587,449	3.1	3.0	1,560,551
International Equity Composite		355,493,405	-5,124,742	19.7	20.0	-4,928,374
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	99,544,206	-5,000,000	5.5	6.5	-17,592,872
Vontobel Asset Management	Non-U.S. Large-Cap Core	128,388,377	0	7.1	6.5	11,251,299
GMO Small-Cap	Non-U.S. Small-Cap Value	70,862,307	0	3.9	4.0	-1,222,049
OFI Institutional Asset Management	Emerging Markets	56,698,515	-124,742	3.1	3.0	2,635,248
Hedged Equity Composite		192,678,719	-9,000,000	10.7	10.0	12,467,830
ABS	Hedged Equity Hedge FoF	90,605,703	-9,000,000	5.0	5.0	500,259
K2	Hedged Equity Hedge FoF	102,073,016	0	5.7	5.0	11,967,571
Real Estate Composite		180,279,902	-2,201,381	10.0	8.5	27,100,646
American Realty Advisors	Core Real Estate	36,740,401	-549,485	2.0		
Morgan Stanley	Core Real Estate	125,377,207	-1,534,407	7.0		
UBS	Core Real Estate	18,161,938	-117,489	1.0		
Infrastructure Composite		150,340,432	-2,367,358	8.3	8.5	-2,838,823
IFM	Core Infrastructure	67,733,921	-1,419,101	3.8		
J.P. Morgan	Core Infrastructure	82,606,511	-948,257	4.6		

Total Fund Composite

Market Value: \$1,802.1 Million and 100.0% of Fund

Ending February 28, 2015

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Private Equity Composite		73,202,204	7,083,411	4.1	6.0	-34,924,330
Progress	U.S. Private Equity FoF	29,735	0	0.0		
Brinson 1998	U.S. Private Equity FoF	72,035	0	0.0		
Brinson 1999	U.S. Private Equity FoF	179,473	0	0.0		
Brinson 2000	U.S. Private Equity FoF	608,115	0	0.0		
Brinson 2001	U.S. Private Equity FoF	1,206,594	0	0.1		
Brinson 2002	U.S. Private Equity FoF	564,662	-32,498	0.0		
Brinson 2003	U.S. Private Equity FoF	727,469	-73,250	0.0		
Brinson 2004	U.S. Private Equity FoF	1,128,691	-132,993	0.1		
Adams Street 2005	U.S. Private Equity FoF	6,173,460	-383,803	0.3		
Adams Street 2009	U.S. Private Equity FoF	20,539,381	0	1.1		
Adams Street 2012	Global Divers. Private Equity FoF	15,477,881	2,080,000	0.9		
Adams Street Co-Investment III	Private Equity Co- Investment	1,137,000	-312,000	0.1		
Siguler Guff	U.S. Private Equity FoF	22,208,703	2,788,950	1.2		
Mesirov VI	U.S. Private Equity FoF	3,149,005	3,149,005	0.2		
Total Cash Equivalents		36,571,326	-12,999,920	2.0	0.0	36,571,326

Total Fund Composite

Annualized Performance (Net of Fees)

Market Value: \$1,802.1 Million and 100.0% of Fund

Ending February 28, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	2.7%	1.7%	2.1%	6.0%	10.0%	9.4%	7.9%	9.3%	5.8%	6.4%
<i>Total Fund Benchmark</i>	2.5%	1.8%	2.2%	5.9%	9.6%	9.1%	7.6%	9.3%	5.6%	6.2%
Fixed Income Composite	-0.9%	1.3%	1.2%	4.9%	2.7%	3.0%	4.2%	4.4%	5.1%	5.2%
<i>Barclays Aggregate</i>	-0.9%	1.2%	1.1%	5.1%	2.6%	2.8%	4.1%	4.3%	4.7%	4.8%
U.S. Equity Composite	6.0%	2.8%	2.3%	10.7%	18.6%	16.7%	13.0%	15.5%	9.4%	8.3%
<i>Wilshire 5000 Total Market</i>	5.7%	2.7%	2.8%	14.3%	20.1%	17.8%	14.3%	16.2%	9.4%	8.3%
International Equity Composite	4.3%	0.6%	4.6%	0.7%	7.6%	7.3%	4.1%	7.4%	0.9%	2.5%
<i>MSCI ACWI ex USA</i>	5.3%	1.4%	5.2%	0.9%	6.4%	6.5%	3.2%	6.6%	1.2%	5.3%
Hedged Equity Composite	3.4%	3.9%	3.3%	5.6%	11.8%	9.7%	7.0%	7.2%	--	--
<i>HFRX Equity Hedge Index</i>	2.3%	1.0%	1.6%	1.4%	5.0%	5.0%	-0.7%	1.3%	-1.3%	0.5%
<i>Russell 3000</i>	5.8%	2.8%	2.8%	14.1%	20.3%	18.0%	14.5%	16.4%	9.4%	8.3%
<i>MSCI ACWI</i>	5.6%	1.9%	3.9%	7.6%	12.7%	11.6%	8.2%	10.7%	4.5%	6.4%
Real Estate Composite	0.0%	3.6%	0.0%	13.1%	13.6%	12.7%	12.6%	14.1%	7.1%	7.8%
<i>Custom Real Estate Benchmark</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	13.2%	5.0%	6.7%
<i>NFI</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	12.8%	1.8%	5.8%
Infrastructure Composite	0.4%	-2.3%	-0.9%	-1.5%	3.2%	4.9%	5.6%	--	--	--
<i>CPI +4%</i>	0.3%	-0.1%	0.2%	3.5%	4.3%	4.9%	5.4%	5.6%	5.5%	6.1%
Private Equity Composite	0.0%	0.6%	0.0%	9.7%	9.7%	10.4%	9.9%	11.5%	6.1%	12.2%
<i>Cambridge Associates All PE</i>	0.0%	0.0%	0.0%	8.6%	14.3%	13.2%	12.0%	13.8%	7.4%	12.8%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,802.1 Million and 100.0% of Fund

Ending February 28, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	2.7%	1.7%	2.1%	6.0%	10.0%	9.4%	7.9%	9.3%	5.8%	6.4%
<i>Total Fund Benchmark</i>	2.5%	1.8%	2.2%	5.9%	9.6%	9.1%	7.6%	9.3%	5.6%	6.2%
Fixed Income Composite	-0.9%	1.3%	1.2%	4.9%	2.7%	3.0%	4.2%	4.4%	5.1%	5.2%
<i>Barclays Aggregate</i>	-0.9%	1.2%	1.1%	5.1%	2.6%	2.8%	4.1%	4.3%	4.7%	4.8%
J.P. Morgan	-0.9%	1.3%	1.2%	4.8%	2.7%	3.1%	4.2%	4.4%	4.8%	--
<i>Barclays Aggregate</i>	-0.9%	1.2%	1.1%	5.1%	2.6%	2.8%	4.1%	4.3%	4.7%	4.8%
Mellon Capital	-1.0%	1.2%	1.1%	5.0%	2.5%	2.7%	4.1%	4.2%	4.6%	4.8%
<i>Barclays Aggregate</i>	-0.9%	1.2%	1.1%	5.1%	2.6%	2.8%	4.1%	4.3%	4.7%	4.8%
U.S. Equity Composite	6.0%	2.8%	2.3%	10.7%	18.6%	16.7%	13.0%	15.5%	9.4%	8.3%
<i>Wilshire 5000 Total Market</i>	5.7%	2.7%	2.8%	14.3%	20.1%	17.8%	14.3%	16.2%	9.4%	8.3%
Boston Partners	6.7%	1.7%	1.5%	12.7%	20.1%	19.3%	15.4%	16.5%	10.4%	9.7%
<i>Russell 1000 Value</i>	4.8%	1.3%	0.6%	13.5%	18.4%	18.1%	13.9%	15.5%	7.8%	7.2%
Mellon Capital	5.7%	2.3%	2.6%	15.4%	20.3%	18.0%	14.6%	16.1%	9.1%	8.0%
<i>S&P 500</i>	5.7%	2.3%	2.6%	15.5%	20.3%	18.0%	14.6%	16.2%	9.1%	8.0%
Artisan Partners	5.6%	3.4%	4.0%	3.2%	20.0%	16.0%	14.7%	19.0%	12.6%	11.6%
<i>Russell MidCap Growth</i>	6.9%	4.8%	5.1%	13.1%	22.0%	18.2%	14.4%	17.9%	10.9%	10.0%
Geneva Capital	6.5%	4.4%	4.2%	9.0%	15.8%	--	--	--	--	--
<i>Russell MidCap Growth</i>	6.9%	4.8%	5.1%	13.1%	22.0%	18.2%	14.4%	17.9%	10.9%	10.0%
Fiduciary Management	5.3%	3.9%	2.4%	6.6%	16.2%	15.0%	10.3%	13.7%	--	--
<i>Russell 2000 Value</i>	4.6%	3.0%	0.3%	4.0%	14.5%	15.3%	10.5%	14.0%	8.9%	7.1%
Silvercrest Asset Management	5.1%	4.2%	1.0%	7.1%	--	--	--	--	--	--
<i>Russell 2000 Value</i>	4.6%	3.0%	0.3%	4.0%	14.5%	15.3%	10.5%	14.0%	8.9%	7.1%
International Equity Composite	4.3%	0.6%	4.6%	0.7%	7.6%	7.3%	4.1%	7.4%	0.9%	2.5%
<i>MSCI ACWI ex USA</i>	5.3%	1.4%	5.2%	0.9%	6.4%	6.5%	3.2%	6.6%	1.2%	5.3%
NTGI ACWI Ex-US	5.4%	1.7%	5.2%	0.7%	6.8%	--	--	--	--	--
<i>MSCI ACWI ex USA</i>	5.3%	1.4%	5.2%	0.9%	6.4%	6.5%	3.2%	6.6%	1.2%	5.3%
Vontobel Asset Management	3.1%	0.4%	4.4%	5.1%	--	--	--	--	--	--
<i>MSCI EAFE</i>	6.0%	2.8%	6.5%	0.0%	9.2%	9.4%	4.9%	7.8%	1.6%	4.8%
GMO Small-Cap	6.8%	5.3%	7.3%	-4.9%	11.8%	13.4%	7.6%	11.9%	--	--
<i>MSCI EAFE Small Cap</i>	6.5%	6.1%	6.7%	-2.4%	11.0%	11.1%	6.4%	10.6%	4.2%	6.1%
OFI Institutional Asset Management	2.2%	-5.9%	0.8%	0.1%	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	3.1%	-1.1%	3.7%	5.0%	-0.7%	-0.3%	-0.3%	3.6%	0.1%	7.9%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,802.1 Million and 100.0% of Fund

Ending February 28, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Hedged Equity Composite	3.4%	3.9%	3.3%	5.6%	11.8%	9.7%	7.0%	7.2%	--	--
<i>HFRX Equity Hedge Index</i>	2.3%	1.0%	1.6%	1.4%	5.0%	5.0%	-0.7%	1.3%	-1.3%	0.5%
<i>Russell 3000</i>	5.8%	2.8%	2.8%	14.1%	20.3%	18.0%	14.5%	16.4%	9.4%	8.3%
<i>MSCI ACWI</i>	5.6%	1.9%	3.9%	7.6%	12.7%	11.6%	8.2%	10.7%	4.5%	6.4%
ABS	2.8%	3.3%	2.4%	5.2%	11.9%	9.4%	7.1%	7.2%	--	--
<i>HFRX Equity Hedge Index</i>	2.3%	1.0%	1.6%	1.4%	5.0%	5.0%	-0.7%	1.3%	-1.3%	0.5%
<i>Russell 3000</i>	5.8%	2.8%	2.8%	14.1%	20.3%	18.0%	14.5%	16.4%	9.4%	8.3%
<i>MSCI ACWI</i>	5.6%	1.9%	3.9%	7.6%	12.7%	11.6%	8.2%	10.7%	4.5%	6.4%
K2	3.9%	4.5%	4.1%	5.9%	11.6%	10.0%	6.9%	--	--	--
<i>HFRX Equity Hedge Index</i>	2.3%	1.0%	1.6%	1.4%	5.0%	5.0%	-0.7%	1.3%	-1.3%	0.5%
<i>Russell 3000</i>	5.8%	2.8%	2.8%	14.1%	20.3%	18.0%	14.5%	16.4%	9.4%	8.3%
<i>MSCI ACWI</i>	5.6%	1.9%	3.9%	7.6%	12.7%	11.6%	8.2%	10.7%	4.5%	6.4%
Real Estate Composite	0.0%	3.6%	0.0%	13.1%	13.6%	12.7%	12.6%	14.1%	7.1%	7.8%
<i>Custom Real Estate Benchmark</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	13.2%	5.0%	6.7%
<i>NFI</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	12.8%	1.8%	5.8%
<i>American Realty Advisors</i>	0.0%	1.6%	0.0%	10.6%	10.9%	10.7%	11.5%	--	--	--
<i>NFI</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	12.8%	1.8%	5.8%
<i>Morgan Stanley</i>	0.0%	4.2%	0.0%	14.2%	15.2%	14.0%	14.7%	--	--	--
<i>NFI</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	12.8%	1.8%	5.8%
<i>UBS</i>	0.0%	3.0%	0.0%	10.7%	10.0%	9.6%	--	--	--	--
<i>NFI</i>	0.0%	1.0%	0.0%	9.8%	11.3%	10.8%	11.6%	12.8%	1.8%	5.8%
Infrastructure Composite	0.4%	-2.3%	-0.9%	-1.5%	3.2%	4.9%	5.6%	--	--	--
<i>CPI +4%</i>	0.3%	-0.1%	0.2%	3.5%	4.3%	4.9%	5.4%	5.6%	5.5%	6.1%
IFM	0.9%	-1.9%	-1.9%	-1.5%	4.0%	4.9%	5.4%	--	--	--
<i>CPI +4%</i>	0.3%	-0.1%	0.2%	3.5%	4.3%	4.9%	5.4%	5.6%	5.5%	6.1%
J.P. Morgan	0.0%	-2.6%	0.0%	-1.5%	2.6%	5.0%	5.5%	--	--	--
<i>CPI +4%</i>	0.3%	-0.1%	0.2%	3.5%	4.3%	4.9%	5.4%	5.6%	5.5%	6.1%

Total Fund Composite

Fee Schedule

Market Value: \$1,802.1 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% \$458,817	0.24%
Core Fixed Income	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$27,749	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	0.19% \$285,850	0.46%
Large-Cap Core	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$46,011	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	0.80% \$385,785	0.78%
Mid-Cap Growth	Geneva Capital	0.55% on the Balance	0.55% \$264,076	0.78%
Small-Cap Value	Silvercrest Asset Management	0.65% on the first \$50 million 0.55% on the Balance	0.64% \$355,931	0.83%
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	0.65% \$368,319	0.83%
Non-U.S. All-Cap Core	NTGI ACWI Ex-US	0.08% on the Balance	0.08% \$79,635	0.12%
Non-U.S. Large-Cap Core	Vontobel Asset Management	0.85% on the first \$50 million 0.75% on the next \$50 million 0.65% on the next \$400 million 0.60% on the Balance	0.77% \$984,524	0.68%
Non-U.S. Small-Cap Value	GMO Small-Cap	0.75% on the Balance	0.75% \$531,467	1.16%
Emerging Markets	OFI Institutional Asset Management	0.85% on the first \$50 million 0.80% on the next \$50 million 0.70% on the Balance	0.84% \$478,588	0.92%
Hedged Equity Hedge FoF	ABS	0.85% on the Balance *redemptions quarterly with 45 days notice	0.85% \$770,148	1.37%
Hedged Equity Hedge FoF	K2	0.90% on the Balance *redemptions quarterly with 91 days notice	0.90% \$918,657	1.37%

Total Fund Composite

Fee Schedule

Market Value: \$1,802.1 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% \$349,034	1.03%
Core Real Estate	Morgan Stanley	0.90% on the Balance	0.90% \$1,128,395	1.03%
Core Real Estate	UBS	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	0.90% \$162,836	1.03%
Core Infrastructure	IFM	1.25% on the Balance Performance Fee: 20% of return above 8% on a rolling three year basis	1.25% \$846,674	1.80%
Core Infrastructure	J.P. Morgan	1.50% on the first \$50 million 1.55% on the Balance Performance Fee: 15% with 7% Hurdle (six year soft lock, effective lock 4.5 years)	1.52% \$1,255,401	1.80%
Private Equity	Adams Street	0.67% on the first \$50 million 0.60% on the Balance 10% carry on secondaries and co-invest (Effective Rate Over 15 Yr Term)	0.67% \$320,359	1.11%
U.S. Private Equity FoF	Siguler Guff	0.69% on commitment	1.24% \$276,000	2.00%
U.S. Private Equity FoF	Mesirow VI	0.70% on commitment	6.67% \$210,000	10.57%
Cash Overlay	Northern Trust	0.07% on the first \$100 million 0.06% on the next \$150 million 0.05% on the Balance	0.07% \$25,600	0.20%
Total Investment Management Fees			0.58% \$10,529,858	0.78%
Custodian	BNY Mellon	\$100,000 Annual Fee (approximate)	\$100,000	N/A
Total Fund			0.59% \$10,629,858	

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Month End.

² Source: 2010 Marquette Associates Investment Management Fee Study.