



Pension Plan

Employees' Retirement System
of Milwaukee County
Monthly Update
June 30, 2014

Total Fund Composite

Manager Status

Market Value: \$1,859.5 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	In Compliance	---
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	In Compliance	---
K2	Hedged Equity Hedge FoF	In Compliance	---
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	---

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: \$1,859.5 Million and 100.0% of Fund

Ending June 30, 2014

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		1,859,498,688	-33,559,124	100.0	100.0	0
Fixed Income Composite		385,177,847	-7,136,145	20.7	22.0	-23,911,864
J.P. Morgan	Core Fixed Income	308,110,901	-7,128,471	16.6		
Mellon Capital	Core Fixed Income	77,066,946	-7,674	4.1		
U.S. Equity Composite		476,041,236	-6,413,164	25.6	25.0	11,166,564
Boston Partners	Large-Cap Value	155,593,736	-73,444	8.4	8.0	6,833,841
Mellon Capital	Large-Cap Core	114,819,517	-11,241	6.2	6.0	3,249,596
Artisan Partners	Mid-Cap Growth	44,608,571	-86,803	2.4	2.5	-1,878,896
Geneva Capital	Mid-Cap Growth	47,893,925	-64,368	2.6	2.5	1,406,458
Fiduciary Management	Small-Cap Value	56,353,831	-3,089,604	3.0	3.0	568,870
Silvercrest Asset Management	Small-Cap Value	56,771,657	-3,087,704	3.1	3.0	986,696
International Equity Composite		383,650,327	-21,117,151	20.6	20.0	11,750,589
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	116,907,943	-8,000,000	6.3	6.5	-3,959,472
Vontobel Asset Management	Non-U.S. Large-Cap Core	128,594,828	0	6.9	6.5	7,727,413
GMO Small-Cap	Non-U.S. Small-Cap Value	75,731,057	-13,000,000	4.1	4.0	1,351,109
OFI Institutional Asset Management	Emerging Markets	62,416,499	-117,151	3.4	3.0	6,631,538
Hedged Equity Composite		199,534,572	0	10.7	10.0	13,584,703
ABS	Hedged Equity Hedge FoF	100,109,739	0	5.4	5.0	7,134,805
K2	Hedged Equity Hedge FoF	99,424,833	0	5.3	5.0	6,449,898
Real Estate Composite		171,234,220	-2,105,837	9.2	8.5	13,176,832
American Realty Advisors	Core Real Estate	35,503,923	-438,081	1.9		
Morgan Stanley	Core Real Estate	118,201,367	-1,546,615	6.4		
UBS	Core Real Estate	17,528,501	-121,141	0.9		
Infrastructure Composite		157,358,041	-1,702,587	8.5	8.5	-699,348
IFM	Core Infrastructure	71,701,245	0	3.9	3.5	6,618,791
J.P. Morgan	Core Infrastructure	85,656,795	-1,702,587	4.6	3.5	20,574,341

Total Fund Composite

Market Value: \$1,859.5 Million and 100.0% of Fund

Ending June 30, 2014

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Private Equity Composite		55,732,668	755,417	3.0	6.0	-55,837,253
Progress	U.S. Private Equity FoF	30,408	0	0.0		
Brinson 1998	U.S. Private Equity FoF	72,602	0	0.0		
Brinson 1999	U.S. Private Equity FoF	274,264	0	0.0		
Brinson 2000	U.S. Private Equity FoF	786,682	0	0.0		
Brinson 2001	U.S. Private Equity FoF	1,371,333	-262,402	0.1		
Brinson 2002	U.S. Private Equity FoF	773,463	-267,210	0.0		
Brinson 2003	U.S. Private Equity FoF	907,446	-105,930	0.0		
Brinson 2004	U.S. Private Equity FoF	1,412,533	-158,568	0.1		
Adams Street 2005	U.S. Private Equity FoF	7,059,014	-396,065	0.4		
Adams Street 2009	U.S. Private Equity FoF	18,614,362	606,231	1.0		
Adams Street 2012	Global Divers. Private Equity FoF	9,449,836	1,860,000	0.5		
Siguler Guff	U.S. Private Equity FoF	14,980,725	-520,639	0.8		
Total Cash Equivalents		30,769,777	4,160,342	1.7	0.0	30,769,777

Total Fund Composite

Annualized Performance (Net of Fees)

Market Value: \$1,859.5 Million and 100.0% of Fund

Ending June 30, 2014

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	1.5%	2.5%	4.4%	15.1%	13.3%	8.7%	11.1%	11.5%	4.8%	7.1%
<i>Total Fund Benchmark</i>	1.2%	2.5%	4.3%	13.8%	12.5%	8.6%	11.2%	11.2%	4.6%	6.8%
Fixed Income Composite	0.1%	1.8%	3.5%	4.0%	2.1%	3.8%	3.8%	5.8%	5.5%	5.6%
<i>Barclays Aggregate</i>	0.1%	2.0%	3.9%	4.4%	1.8%	3.7%	3.7%	4.9%	5.3%	4.9%
U.S. Equity Composite	2.8%	2.6%	4.5%	22.7%	22.5%	14.8%	19.1%	18.7%	6.5%	8.5%
<i>Wilshire 5000 Total Market</i>	2.4%	4.9%	7.0%	24.9%	23.0%	16.3%	20.0%	19.2%	6.4%	8.3%
International Equity Composite	1.6%	4.2%	6.7%	22.8%	18.5%	6.3%	11.9%	10.9%	0.4%	4.0%
<i>MSCI ACWI ex USA</i>	1.7%	5.0%	5.6%	21.8%	17.6%	5.7%	11.3%	11.1%	1.3%	7.7%
Hedged Equity Composite	2.1%	2.2%	3.2%	14.9%	13.8%	7.4%	8.2%	--	--	--
<i>HFRX Equity Hedge Index</i>	1.5%	0.0%	1.3%	7.6%	8.0%	1.4%	1.9%	2.1%	-2.4%	0.4%
<i>Russell 3000</i>	2.5%	4.9%	6.9%	25.2%	23.3%	16.5%	20.2%	19.3%	6.5%	8.2%
<i>MSCI ACWI</i>	1.9%	5.0%	6.2%	22.9%	19.7%	10.3%	14.9%	14.3%	3.2%	7.5%
Real Estate Composite	2.2%	2.2%	4.9%	12.0%	12.4%	11.9%	16.7%	17.5%	3.6%	8.7%
<i>Custom Real Estate Benchmark</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	14.2%	18.5%	1.5%	7.8%
<i>NFI</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	12.6%	8.4%	1.4%	5.9%
Infrastructure Composite	0.0%	0.0%	1.2%	6.2%	7.6%	6.1%	9.0%	--	--	--
<i>CPI +4%</i>	0.3%	1.7%	4.1%	6.0%	5.9%	5.8%	6.3%	6.1%	6.0%	6.4%
Private Equity Composite	0.0%	0.0%	2.6%	12.8%	10.2%	7.7%	11.9%	12.3%	5.9%	12.7%
<i>Venture Economics All PE</i>	0.0%	0.0%	0.0%	4.9%	10.5%	9.0%	12.3%	13.5%	6.5%	11.8%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,859.5 Million and 100.0% of Fund

Ending June 30, 2014

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	1.5%	2.5%	4.4%	15.1%	13.3%	8.7%	11.1%	11.5%	4.8%	7.1%
<i>Total Fund Benchmark</i>	1.2%	2.5%	4.3%	13.8%	12.5%	8.6%	11.2%	11.2%	4.6%	6.8%
Fixed Income Composite	0.1%	1.8%	3.5%	4.0%	2.1%	3.8%	3.8%	5.8%	5.5%	5.6%
<i>Barclays Aggregate</i>	0.1%	2.0%	3.9%	4.4%	1.8%	3.7%	3.7%	4.9%	5.3%	4.9%
J.P. Morgan	0.0%	1.7%	3.4%	3.9%	2.2%	3.8%	3.9%	5.0%	5.5%	--
<i>Barclays Aggregate</i>	0.1%	2.0%	3.9%	4.4%	1.8%	3.7%	3.7%	4.9%	5.3%	4.9%
Mellon Capital	0.1%	2.1%	4.0%	4.3%	1.7%	3.6%	3.7%	4.8%	5.3%	4.9%
<i>Barclays Aggregate</i>	0.1%	2.0%	3.9%	4.4%	1.8%	3.7%	3.7%	4.9%	5.3%	4.9%
U.S. Equity Composite	2.8%	2.6%	4.5%	22.7%	22.5%	14.8%	19.1%	18.7%	6.5%	8.5%
<i>Wilshire 5000 Total Market</i>	2.4%	4.9%	7.0%	24.9%	23.0%	16.3%	20.0%	19.2%	6.4%	8.3%
Boston Partners	1.5%	2.5%	5.4%	22.6%	25.8%	18.1%	20.7%	19.5%	7.4%	10.1%
<i>Russell 1000 Value</i>	2.6%	5.1%	8.3%	23.8%	24.6%	16.9%	19.8%	19.2%	4.8%	8.0%
Mellon Capital	2.1%	5.2%	7.1%	24.6%	22.5%	16.5%	19.9%	18.8%	6.1%	7.8%
<i>S&P 500</i>	2.1%	5.2%	7.1%	24.6%	22.6%	16.6%	20.0%	18.8%	6.2%	7.8%
Artisan Partners	4.1%	-0.1%	2.6%	26.2%	23.6%	15.1%	22.8%	22.3%	10.3%	11.5%
<i>Russell MidCap Growth</i>	3.1%	4.4%	6.5%	26.0%	24.4%	14.5%	21.1%	21.2%	7.9%	9.8%
Geneva Capital	3.4%	0.1%	-0.9%	17.4%	--	--	--	--	--	--
<i>Russell MidCap Growth</i>	3.1%	4.4%	6.5%	26.0%	24.4%	14.5%	21.1%	21.2%	7.9%	9.8%
Fiduciary Management	4.1%	1.4%	3.8%	21.4%	22.0%	12.8%	17.5%	--	--	--
<i>Russell 2000 Value</i>	4.4%	2.4%	4.2%	22.5%	23.6%	14.6%	18.6%	19.9%	5.5%	8.2%
Silvercrest Asset Management	5.3%	3.0%	4.0%	--	--	--	--	--	--	--
<i>Russell 2000 Value</i>	4.4%	2.4%	4.2%	22.5%	23.6%	14.6%	18.6%	19.9%	5.5%	8.2%
International Equity Composite	1.6%	4.2%	6.7%	22.8%	18.5%	6.3%	11.9%	10.9%	0.4%	4.0%
<i>MSCI ACWI ex USA</i>	1.7%	5.0%	5.6%	21.8%	17.6%	5.7%	11.3%	11.1%	1.3%	7.7%
NTGI ACWI Ex-US	1.7%	5.0%	5.9%	22.6%	--	--	--	--	--	--
<i>MSCI ACWI ex USA IMI Gross</i>	1.8%	5.1%	6.1%	22.8%	18.5%	6.3%	12.0%	12.0%	1.9%	8.5%
Vontobel Asset Management	1.4%	3.9%	7.7%	--	--	--	--	--	--	--
<i>MSCI EAFE</i>	1.0%	4.1%	4.8%	23.6%	21.1%	8.1%	13.3%	11.8%	1.0%	6.9%
GMO Small-Cap	0.5%	1.5%	6.7%	30.1%	28.5%	11.3%	18.8%	16.6%	--	--
<i>MSCI EAFE Small Cap Gross</i>	1.5%	2.2%	5.8%	29.5%	25.3%	10.2%	16.3%	15.6%	2.8%	9.1%
OFI Institutional Asset Management	3.4%	7.8%	5.9%	--	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	2.7%	6.6%	6.1%	14.3%	8.4%	-0.4%	6.0%	9.2%	2.3%	11.9%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,859.5 Million and 100.0% of Fund

Ending June 30, 2014

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Hedged Equity Composite	2.1%	2.2%	3.2%	14.9%	13.8%	7.4%	8.2%	--	--	--
<i>HFRX Equity Hedge Index</i>	1.5%	0.0%	1.3%	7.6%	8.0%	1.4%	1.9%	2.1%	-2.4%	0.4%
<i>Russell 3000</i>	2.5%	4.9%	6.9%	25.2%	23.3%	16.5%	20.2%	19.3%	6.5%	8.2%
<i>MSCI ACWI</i>	1.9%	5.0%	6.2%	22.9%	19.7%	10.3%	14.9%	14.3%	3.2%	7.5%
ABS	1.8%	2.0%	2.6%	14.8%	14.2%	7.3%	8.4%	--	--	--
<i>HFRX Equity Hedge Index</i>	1.5%	0.0%	1.3%	7.6%	8.0%	1.4%	1.9%	2.1%	-2.4%	0.4%
<i>Russell 3000</i>	2.5%	4.9%	6.9%	25.2%	23.3%	16.5%	20.2%	19.3%	6.5%	8.2%
<i>MSCI ACWI</i>	1.9%	5.0%	6.2%	22.9%	19.7%	10.3%	14.9%	14.3%	3.2%	7.5%
K2	2.3%	2.5%	3.7%	14.9%	13.4%	7.6%	8.1%	--	--	--
<i>HFRX Equity Hedge Index</i>	1.5%	0.0%	1.3%	7.6%	8.0%	1.4%	1.9%	2.1%	-2.4%	0.4%
<i>Russell 3000</i>	2.5%	4.9%	6.9%	25.2%	23.3%	16.5%	20.2%	19.3%	6.5%	8.2%
<i>MSCI ACWI</i>	1.9%	5.0%	6.2%	22.9%	19.7%	10.3%	14.9%	14.3%	3.2%	7.5%
Real Estate Composite	2.2%	2.2%	4.9%	12.0%	12.4%	11.9%	16.7%	17.5%	3.6%	8.7%
<i>Custom Real Estate Benchmark</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	14.2%	18.5%	1.5%	7.8%
<i>NFI</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	12.6%	8.4%	1.4%	5.9%
<i>American Realty Advisors</i>	0.0%	0.0%	3.0%	8.7%	9.5%	10.0%	--	--	--	--
<i>NFI</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	12.6%	8.4%	1.4%	5.9%
<i>Morgan Stanley</i>	2.9%	2.9%	5.6%	13.5%	14.0%	14.1%	--	--	--	--
<i>NFI</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	12.6%	8.4%	1.4%	5.9%
<i>UBS</i>	2.2%	2.2%	4.5%	9.2%	8.9%	--	--	--	--	--
<i>NFI</i>	0.0%	0.0%	2.2%	8.8%	10.0%	10.4%	12.6%	8.4%	1.4%	5.9%
Infrastructure Composite	0.0%	0.0%	1.2%	6.2%	7.6%	6.1%	9.0%	--	--	--
<i>CPI +4%</i>	0.3%	1.7%	4.1%	6.0%	5.9%	5.8%	6.3%	6.1%	6.0%	6.4%
IFM	0.0%	0.1%	2.4%	4.4%	8.0%	6.2%	9.6%	--	--	--
<i>CPI +4%</i>	0.3%	1.7%	4.1%	6.0%	5.9%	5.8%	6.3%	6.1%	6.0%	6.4%
J.P. Morgan	0.0%	0.0%	0.2%	8.7%	7.4%	6.1%	--	--	--	--
<i>CPI +4%</i>	0.3%	1.7%	4.1%	6.0%	5.9%	5.8%	6.3%	6.1%	6.0%	6.4%

Total Fund Composite

Fee Schedule

Market Value: \$1,859.5 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% \$512,166	0.24%
Core Fixed Income	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$30,827	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% \$293,094	0.46%
Large-Cap Core	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$45,928	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% \$356,869	0.78%
Mid-Cap Growth	Geneva Capital	0.55% on the Balance	0.55% \$263,417	0.78%
Small-Cap Value	Silvercrest Asset Management	0.65% on the first \$50 million 0.55% on the Balance	0.64% \$362,244	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% \$368,123	0.83%
Non-U.S. All-Cap Core	NTGI ACWI Ex-US	0.08% on the Balance	0.08% \$93,526	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% \$985,866	0.68%
Non-U.S. Small-Cap Value	GMO Small-Cap	0.75% on the Balance	0.75% \$567,983	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% \$524,332	0.92%
Hedged Equity Hedge FoF	ABS	0.85% on the Balance *redemptions quarterly with 45 days notice	0.85% \$850,933	1.37%
Hedged Equity Hedge FoF	K2	0.90% on the Balance *redemptions quarterly with 91 days notice	0.90% \$894,823	1.37%

Total Fund Composite

Fee Schedule

Market Value: \$1,859.5 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% \$337,287	1.03%
Core Real Estate	Morgan Stanley	0.90% on the Balance	0.90% \$1,063,812	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% \$157,610	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% \$896,266	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% \$1,302,680	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% \$251,316	1.11%
U.S. Private Equity FoF	Siguler Guff	0.69% on commitment	1.84% \$276,000	2.96%
Cash Overlay	BNY Beta Management	0.025% on the Balance	0.03% \$7,692	0.20%
Total Investment Management Fees			0.56% \$10,442,795	0.73%
Custodian	BNY Mellon	\$50,000 Flat Annual Fee	\$50,000	N/A
Total Fund			0.56% \$10,492,795	

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

² Source: 2010 Marquette Associates Investment Management Fee Study.