



Pension Plan

Employees' Retirement System
of Milwaukee County
Monthly Update
June 30, 2015

Total Fund Composite

Manager Status

Market Value: \$1,756.5 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	Alert	Performance
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	Termination	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: \$1,756.5 Million and 100.0% of Fund

Ending June 30, 2015

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		1,756,461,765	-46,194,272	100.0	100.0	0
Fixed Income Composite		331,697,522	0	18.9	22.0	-54,724,066
J.P. Morgan	Core Fixed Income	263,146,612	0	15.0		
Mellon Capital	Core Fixed Income	68,550,910	0	3.9		
U.S. Equity Composite		440,832,096	-35,400,000	25.1	25.0	1,716,655
Boston Partners	Large-Cap Value	140,976,639	-6,000,000	8.0	8.0	459,698
Mellon Capital	Large-Cap Core	96,584,329	-17,400,000	5.5	6.0	-8,803,377
Artisan Partners	Mid-Cap Growth	45,238,416	-4,000,000	2.6	2.5	1,326,872
Geneva Capital	Mid-Cap Growth	45,566,296	-4,000,000	2.6	2.5	1,654,752
Fiduciary Management	Small-Cap Value	55,018,702	-4,000,000	3.1	3.0	2,324,849
Silvercrest Asset Management	Small-Cap Value	57,447,714	0	3.3	3.0	4,753,861
International Equity Composite		338,026,565	-118,034	19.2	20.0	-13,265,788
NTGI ACWI Ex-US	Non-U.S. All-Cap Core	84,089,252	0	4.8	6.5	-30,080,763
Vontobel Asset Management	Non-U.S. Large-Cap Core	125,338,796	0	7.1	6.5	11,168,782
GMO Small-Cap	Non-U.S. Small-Cap Value	72,622,286	0	4.1	4.0	2,363,815
OFI Institutional Asset Management	Emerging Markets	55,976,231	-118,034	3.2	3.0	3,282,378
Hedged Equity Composite		191,208,454	-5,000,000	10.9	10.0	15,562,278
ABS	Hedged Equity Hedge FoF	92,358,183	0	5.3	5.0	4,535,095
K2	Hedged Equity Hedge FoF	98,850,271	-5,000,000	5.6	5.0	11,027,183
Real Estate Composite		190,186,260	-2,319,226	10.8	8.5	40,887,010
American Realty Advisors	Core Real Estate	39,142,705	-558,062	2.2		
Morgan Stanley	Core Real Estate	131,987,401	-1,624,673	7.5		
UBS	Core Real Estate	19,055,804	-136,491	1.1		
Infrastructure Composite		147,429,811	-1,985,322	8.4	8.5	-1,869,439
IFM	Core Infrastructure	70,681,404	-267,281	4.0		
J.P. Morgan	Core Infrastructure	76,748,406	-1,718,041	4.4		

Total Fund Composite

Market Value: \$1,756.5 Million and 100.0% of Fund

Ending June 30, 2015

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Private Equity Composite		78,175,400	2,025,698	4.5	6.0	-27,212,306
Progress	U.S. Private Equity FoF	25,924	0	0.0		
Brinson 1998	U.S. Private Equity FoF	71,922	0	0.0		
Brinson 1999	U.S. Private Equity FoF	155,632	0	0.0		
Brinson 2000	U.S. Private Equity FoF	414,621	-166,342	0.0		
Brinson 2001	U.S. Private Equity FoF	997,492	-221,024	0.1		
Brinson 2002	U.S. Private Equity FoF	532,156	0	0.0		
Brinson 2003	U.S. Private Equity FoF	688,817	0	0.0		
Brinson 2004	U.S. Private Equity FoF	1,045,724	-107,417	0.1		
Adams Street 2005	U.S. Private Equity FoF	5,683,881	-647,957	0.3		
Adams Street 2009	U.S. Private Equity FoF	21,890,942	-402,884	1.2		
Adams Street 2012	Global Divers. Private Equity FoF	18,366,593	1,640,000	1.0		
Adams Street Co-Investment III	Private Equity Co- Investment	792,265	-189,000	0.0		
Siguler Guff	U.S. Private Equity FoF	23,772,102	1,670,322	1.4		
Mesirow VI	U.S. Private Equity FoF	3,737,329	450,000	0.2		
Total Cash Equivalents		38,905,657	-3,397,388	2.2	0.0	38,905,657

Total Fund Composite

Annualized Performance (Net of Fees)

Market Value: \$1,756.5 Million and 100.0% of Fund

Ending June 30, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	-0.4%	0.9%	3.0%	3.5%	9.4%	10.1%	7.5%	9.6%	6.2%	6.4%
<i>Total Fund Benchmark</i>	-1.1%	0.0%	2.3%	2.6%	8.7%	9.5%	7.3%	9.6%	5.9%	6.1%
Fixed Income Composite	-0.9%	-1.3%	0.5%	2.5%	3.3%	2.2%	3.4%	3.6%	5.1%	4.9%
<i>Barclays Aggregate</i>	-1.1%	-1.7%	-0.1%	1.9%	3.1%	1.8%	3.2%	3.3%	4.6%	4.4%
U.S. Equity Composite	-0.6%	0.9%	3.2%	8.1%	15.2%	17.5%	13.1%	16.8%	9.9%	8.3%
<i>Wilshire 5000 Total Market</i>	-1.7%	0.1%	1.7%	7.1%	15.7%	17.5%	13.9%	17.3%	9.5%	8.2%
International Equity Composite	-2.1%	1.5%	3.9%	-4.7%	8.2%	10.2%	3.4%	8.3%	1.2%	2.3%
<i>MSCI ACWI ex USA</i>	-2.8%	0.5%	4.0%	-5.3%	7.4%	9.4%	2.9%	7.8%	1.5%	5.5%
Hedged Equity Composite	-0.7%	1.1%	5.2%	7.3%	11.0%	11.6%	7.4%	8.0%	--	--
<i>HFRX Equity Hedge Index</i>	-0.8%	0.2%	2.4%	2.5%	5.0%	6.1%	1.6%	2.0%	-1.3%	0.7%
<i>Russell 3000</i>	-1.7%	0.1%	1.9%	7.3%	15.9%	17.7%	14.1%	17.5%	9.7%	8.2%
<i>MSCI ACWI</i>	-2.4%	0.3%	2.7%	0.7%	11.3%	13.0%	7.8%	11.9%	4.8%	6.4%
Real Estate Composite	3.9%	3.9%	7.3%	14.9%	13.8%	13.4%	12.8%	16.4%	8.4%	7.3%
<i>Custom Real Estate Benchmark</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	13.9%	6.4%	6.0%
<i>NFI</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	12.5%	2.1%	5.5%
Infrastructure Composite	1.0%	2.1%	-0.1%	-4.7%	2.2%	4.4%	4.1%	6.8%	--	--
<i>CPI +4%</i>	0.3%	1.7%	3.3%	3.8%	5.0%	5.2%	5.4%	5.8%	5.2%	6.1%
Private Equity Composite	0.0%	0.0%	-0.1%	2.2%	10.5%	9.6%	7.9%	11.2%	6.7%	10.6%
<i>Cambridge Associates All PE</i>	0.0%	0.0%	0.0%	2.4%	12.7%	12.9%	10.3%	13.7%	7.6%	12.1%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,756.5 Million and 100.0% of Fund

Ending June 30, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	-0.4%	0.9%	3.0%	3.5%	9.4%	10.1%	7.5%	9.6%	6.2%	6.4%
<i>Total Fund Benchmark</i>	-1.1%	0.0%	2.3%	2.6%	8.7%	9.5%	7.3%	9.6%	5.9%	6.1%
Fixed Income Composite	-0.9%	-1.3%	0.5%	2.5%	3.3%	2.2%	3.4%	3.6%	5.1%	4.9%
<i>Barclays Aggregate</i>	-1.1%	-1.7%	-0.1%	1.9%	3.1%	1.8%	3.2%	3.3%	4.6%	4.4%
J.P. Morgan	-0.8%	-1.2%	0.6%	2.6%	3.3%	2.3%	3.5%	3.7%	4.9%	--
<i>Barclays Aggregate</i>	-1.1%	-1.7%	-0.1%	1.9%	3.1%	1.8%	3.2%	3.3%	4.6%	4.4%
Mellon Capital	-1.1%	-1.7%	-0.1%	1.9%	3.1%	1.8%	3.2%	3.3%	4.5%	4.4%
<i>Barclays Aggregate</i>	-1.1%	-1.7%	-0.1%	1.9%	3.1%	1.8%	3.2%	3.3%	4.6%	4.4%
U.S. Equity Composite	-0.6%	0.9%	3.2%	8.1%	15.2%	17.5%	13.1%	16.8%	9.9%	8.3%
<i>Wilshire 5000 Total Market</i>	-1.7%	0.1%	1.7%	7.1%	15.7%	17.5%	13.9%	17.3%	9.5%	8.2%
Boston Partners	-2.1%	0.4%	0.4%	6.3%	14.1%	18.9%	15.0%	17.7%	11.0%	9.5%
<i>Russell 1000 Value</i>	-2.0%	0.1%	-0.6%	4.1%	13.5%	17.3%	13.6%	16.5%	8.6%	7.0%
Mellon Capital	-1.9%	0.3%	1.2%	7.4%	15.7%	17.3%	14.2%	17.3%	9.4%	7.9%
<i>S&P 500</i>	-1.9%	0.3%	1.2%	7.4%	15.7%	17.3%	14.2%	17.3%	9.4%	7.9%
Artisan Partners	0.6%	1.6%	5.6%	9.3%	17.4%	18.6%	13.6%	20.0%	12.9%	11.7%
<i>Russell MidCap Growth</i>	-1.6%	-1.1%	4.2%	9.5%	17.5%	19.2%	13.2%	18.7%	10.3%	9.7%
Geneva Capital	0.1%	1.8%	7.2%	14.0%	15.7%	--	--	--	--	--
<i>Russell MidCap Growth</i>	-1.6%	-1.1%	4.2%	9.5%	17.5%	19.2%	13.2%	18.7%	10.3%	9.7%
Fiduciary Management	2.6%	2.1%	6.8%	8.7%	14.9%	17.4%	11.7%	15.7%	--	--
<i>Russell 2000 Value</i>	0.1%	-1.2%	0.8%	0.8%	11.1%	15.5%	11.0%	14.8%	9.3%	6.9%
Silvercrest Asset Management	0.6%	-0.8%	4.1%	5.2%	--	--	--	--	--	--
<i>Russell 2000 Value</i>	0.1%	-1.2%	0.8%	0.8%	11.1%	15.5%	11.0%	14.8%	9.3%	6.9%
International Equity Composite	-2.1%	1.5%	3.9%	-4.7%	8.2%	10.2%	3.4%	8.3%	1.2%	2.3%
<i>MSCI ACWI ex USA</i>	-2.8%	0.5%	4.0%	-5.3%	7.4%	9.4%	2.9%	7.8%	1.5%	5.5%
NTGI ACWI Ex-US	-2.7%	1.1%	4.8%	-4.7%	8.1%	--	--	--	--	--
<i>MSCI ACWI ex USA</i>	-2.8%	0.5%	4.0%	-5.3%	7.4%	9.4%	2.9%	7.8%	1.5%	5.5%
Vontobel Asset Management	-2.1%	0.1%	2.0%	-2.5%	--	--	--	--	--	--
<i>MSCI EAFE</i>	-2.8%	0.6%	5.5%	-4.2%	8.8%	12.0%	4.9%	9.5%	2.0%	5.1%
GMO Small-Cap	-2.1%	5.0%	10.0%	-4.1%	11.7%	16.6%	7.2%	13.8%	--	--
<i>MSCI EAFE Small Cap</i>	-1.3%	4.3%	10.1%	-0.8%	13.2%	15.7%	7.1%	12.4%	5.4%	6.6%
OFI Institutional Asset Management	-1.3%	0.8%	-0.5%	-10.3%	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	-2.6%	0.7%	2.9%	-5.1%	4.1%	3.7%	-1.6%	3.7%	0.9%	8.1%

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$1,756.5 Million and 100.0% of Fund

Ending June 30, 2015

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Hedged Equity Composite	-0.7%	1.1%	5.2%	7.3%	11.0%	11.6%	7.4%	8.0%	--	--
<i>HFRX Equity Hedge Index</i>	-0.8%	0.2%	2.4%	2.5%	5.0%	6.1%	1.6%	2.0%	-1.3%	0.7%
<i>Russell 3000</i>	-1.7%	0.1%	1.9%	7.3%	15.9%	17.7%	14.1%	17.5%	9.7%	8.2%
<i>MSCI ACWI</i>	-2.4%	0.3%	2.7%	0.7%	11.3%	13.0%	7.8%	11.9%	4.8%	6.4%
ABS	-0.6%	0.6%	4.4%	6.7%	10.7%	11.6%	7.2%	8.1%	--	--
<i>HFRX Equity Hedge Index</i>	-0.8%	0.2%	2.4%	2.5%	5.0%	6.1%	1.6%	2.0%	-1.3%	0.7%
<i>Russell 3000</i>	-1.7%	0.1%	1.9%	7.3%	15.9%	17.7%	14.1%	17.5%	9.7%	8.2%
<i>MSCI ACWI</i>	-2.4%	0.3%	2.7%	0.7%	11.3%	13.0%	7.8%	11.9%	4.8%	6.4%
K2	-0.7%	1.5%	6.0%	7.8%	11.3%	11.5%	7.6%	8.0%	--	--
<i>HFRX Equity Hedge Index</i>	-0.8%	0.2%	2.4%	2.5%	5.0%	6.1%	1.6%	2.0%	-1.3%	0.7%
<i>Russell 3000</i>	-1.7%	0.1%	1.9%	7.3%	15.9%	17.7%	14.1%	17.5%	9.7%	8.2%
<i>MSCI ACWI</i>	-2.4%	0.3%	2.7%	0.7%	11.3%	13.0%	7.8%	11.9%	4.8%	6.4%
Real Estate Composite	3.9%	3.9%	7.3%	14.9%	13.8%	13.4%	12.8%	16.4%	8.4%	7.3%
<i>Custom Real Estate Benchmark</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	13.9%	6.4%	6.0%
<i>NFI</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	12.5%	2.1%	5.5%
<i>American Realty Advisors</i>	3.5%	3.5%	7.8%	12.9%	12.2%	11.6%	11.5%	--	--	--
<i>NFI</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	12.5%	2.1%	5.5%
<i>Morgan Stanley</i>	4.2%	4.2%	7.3%	16.0%	14.7%	14.7%	14.6%	--	--	--
<i>NFI</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	12.5%	2.1%	5.5%
<i>UBS</i>	2.9%	2.9%	5.7%	11.7%	10.4%	9.8%	--	--	--	--
<i>NFI</i>	0.0%	0.0%	3.2%	9.5%	10.6%	10.8%	10.9%	12.5%	2.1%	5.5%
Infrastructure Composite	1.0%	2.1%	-0.1%	-4.7%	2.2%	4.4%	4.1%	6.8%	--	--
<i>CPI +4%</i>	0.3%	1.7%	3.3%	3.8%	5.0%	5.2%	5.4%	5.8%	5.2%	6.1%
IFM	2.2%	4.5%	2.7%	-1.7%	2.9%	5.8%	4.9%	7.9%	--	--
<i>CPI +4%</i>	0.3%	1.7%	3.3%	3.8%	5.0%	5.2%	5.4%	5.8%	5.2%	6.1%
J.P. Morgan	0.0%	0.0%	-2.6%	-7.3%	2.0%	3.4%	3.4%	--	--	--
<i>CPI +4%</i>	0.3%	1.7%	3.3%	3.8%	5.0%	5.2%	5.4%	5.8%	5.2%	6.1%

Total Fund Composite

Fee Schedule

Market Value: \$1,756.5 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% \$444,720	0.24%
Core Fixed Income	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$27,420	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	0.20% \$278,477	0.46%
Large-Cap Core	Mellon Capital	0.04% on the first \$200 million 0.02% on the Balance	0.04% \$38,634	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% \$361,907	0.78%
Mid-Cap Growth	Geneva Capital	0.55% on the Balance	0.55% \$250,615	0.78%
Small-Cap Value	Silvercrest Asset Management	0.65% on the first \$50 million 0.55% on the Balance	0.64% \$365,962	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% \$360,112	0.83%
Non-U.S. All-Cap Core	NTGI ACWI Ex-US	0.08% on the Balance	0.08% \$67,271	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% \$964,702	0.68%
Non-U.S. Small-Cap Value	GMO Small-Cap	0.75% on the Balance	0.75% \$544,667	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% \$472,810	0.92%
Hedged Equity Hedge FoF	ABS	0.85% on the Balance *redemptions quarterly with 45 days notice	0.85% \$785,045	1.37%
Hedged Equity Hedge FoF	K2	0.90% on the Balance *redemptions quarterly with 91 days notice	0.90% \$889,652	1.37%

Total Fund Composite

Fee Schedule

Market Value: \$1,756.5 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% \$371,856	1.03%
Core Real Estate	Morgan Stanley	0.90% on the Balance	0.90% \$1,187,887	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	0.89% \$170,210	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% \$883,518	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% \$1,164,600	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% \$335,264	1.11%
U.S. Private Equity FoF	Siguler Guff	0.69% on commitment	1.16% \$276,000	1.87%
U.S. Private Equity FoF	Mesirow VI	0.70% on commitment	5.62% \$210,000	8.91%
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% \$27,234	0.20%
Total Investment Management Fees			0.60% \$10,478,563	0.79%
Custodian	BNY Mellon	\$100,000 Annual Fee (approximate)	\$100,000	N/A
Total Fund			0.60% \$10,578,563	

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

² Source: 2010 Marquette Associates Investment Management Fee Study.