

First Quarter 2008

Performance Evaluation – Summary
Employees' Retirement System
of the County of Milwaukee

MERCER



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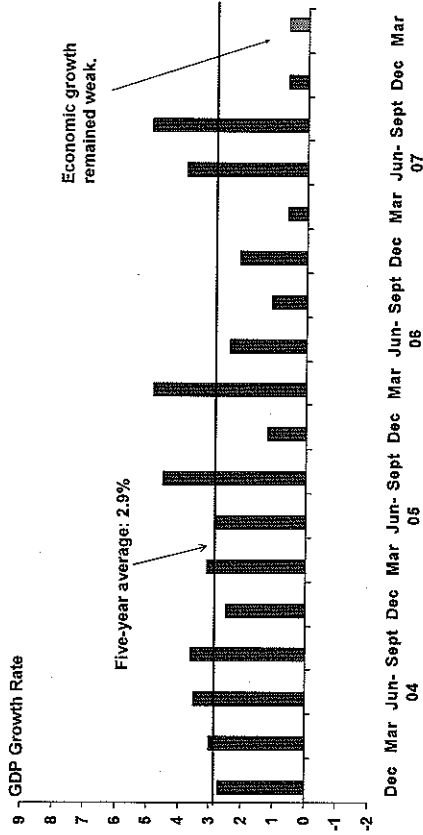
Market Environment

Economic Environment

For Periods Ending March 2008

Economic Profile

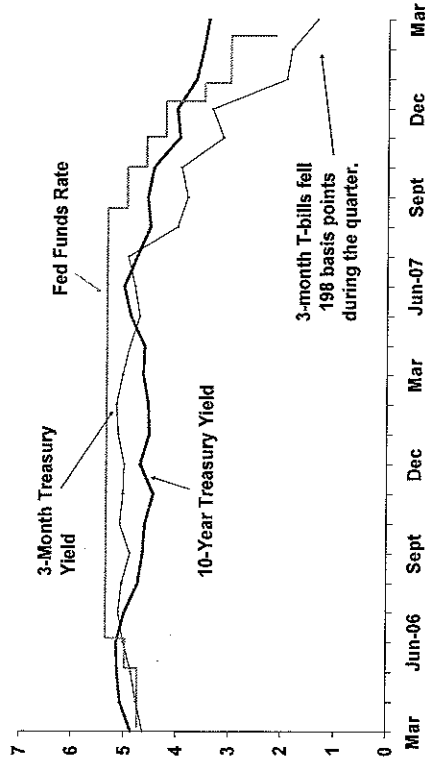
GDP Growth Rate



- The economy edged closer to recession during the quarter amid rising unemployment, weak consumer spending and the ongoing housing slump. The initial government estimate of first-quarter GDP growth was 0.6%
- Payroll employment declined for the third consecutive month in March, pushing the unemployment rate to nearly a 3-year high of 5.1%. Job losses totaled 232,000 during the quarter.
- Consumer confidence sank to a 5-year low in March amid concerns over rising prices and a bleak job market. Retail sales fell in February as consumers curtailed spending. On an annual basis, the retail sales growth rate slowed to 2.6%.
- The housing market worsened as home foreclosures and delinquency rates continued to rise. New home sales fell to their lowest level in 13 years in February, despite a record drop in prices.

Interest Rates and Inflation

Treasury Yields



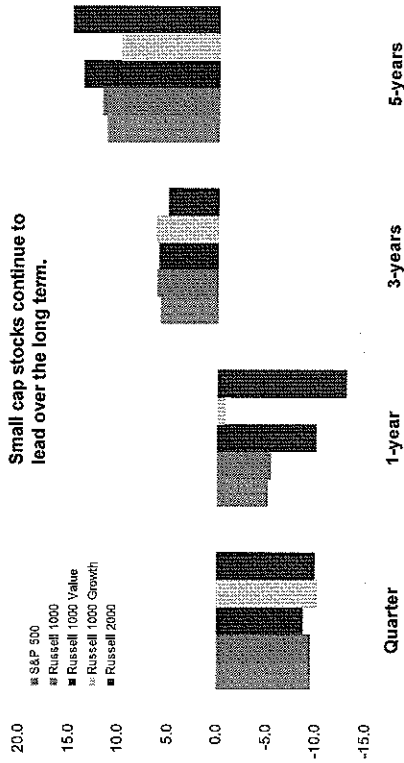
- The Fed slashed short-term interest rates a total of 200 basis points during the quarter, bringing the federal funds rate to 2.25%.
- Rates fell across the yield curve as investors fled to the safety of U.S. Treasuries. The 2-year Treasury yield fell 143 basis points to 1.62% and the 10-year Treasury yield fell 59 basis points to 3.45%. The 2- to 10-year yield slope steepened by 84 basis points.
- Over the quarter, the 3-month T-bill yield decreased 198 basis points to 1.38%, while the yield on 30-year Treasuries fell 15 basis points to 4.30%.
- Consumer prices held steady in February, but rose 0.8% for the quarter and increased 4.0% on a year-over-year basis. Core CPI was up 2.4% from a year ago.

Equity Market Performance

For Periods Ending March 2008

Domestic Equity Market Performance

Market Index Performance



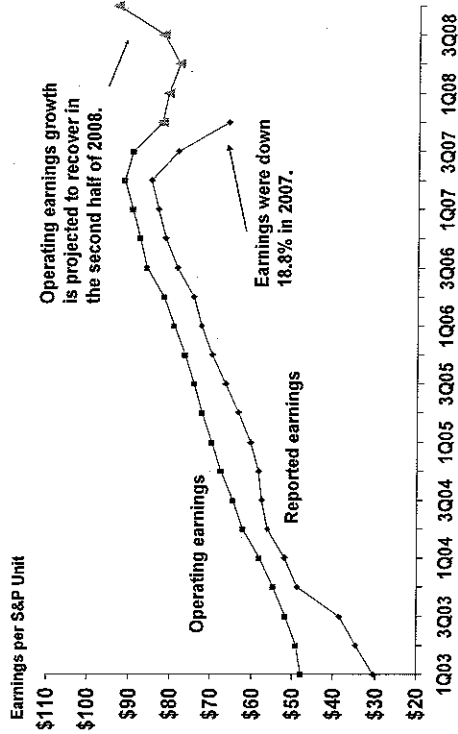
- The stock market suffered losses during the first quarter amid concerns over negative corporate earnings and the credit and financial system crises. The S&P 500 Index was down 9.4%, its worst quarterly return in 5½ years, while the Russell 1000 Index lost 9.5%.
- Small cap stocks, as measured by the Russell 2000 Index, underperformed large cap stocks by a small margin, losing 9.9%.
- Growth underperformed value across all market capitalizations during the quarter. Large cap growth stocks were down 10.2%, while large cap value stocks lost 8.7%. Small cap growth stocks, down 12.8%, were the weakest performers.
- The technology, telecommunication and financial sectors suffered the largest losses during the quarter. Losses were least severe in the consumer staples and materials sectors.

Russell 1000 Sector Returns

Sector	Qtr Return	Weight
Energy	-6.7	12.9
Materials	-2.8	4.0
Consumer Discretionary	-7.7	9.3
Consumer Staples	-2.5	10.3
Health Care	-10.9	11.6
Financials	-13.3	16.8
Information Technology	-15.0	15.5
Telecommunication Services	-14.5	3.3
Utilities	-9.7	3.9
Industrials	-5.2	12.4

Source: Returns and security data for the Russell indices are provided by Russell/Mellon Analytical Services. Russell indices are trademarks/service marks of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company.

S&P 500 Trailing 4-Quarter Earnings per Unit



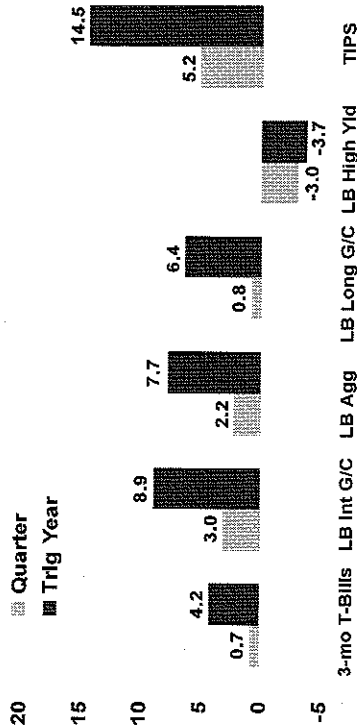
Source: Standard & Poor's

Fixed Income Market Performance

For Periods Ending March 2008

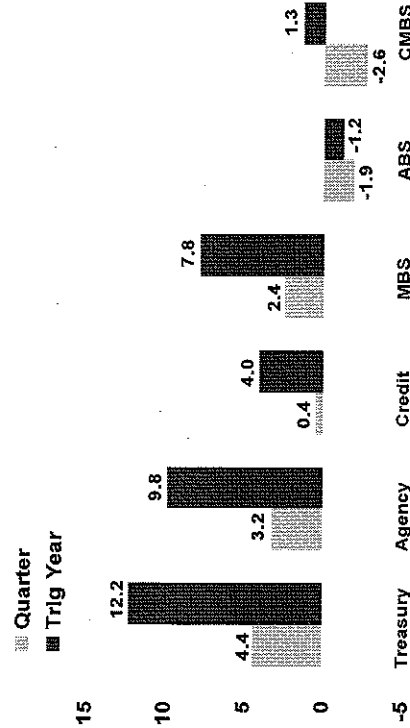
Fixed Income Market Performance

Performance by Maturity and Sector

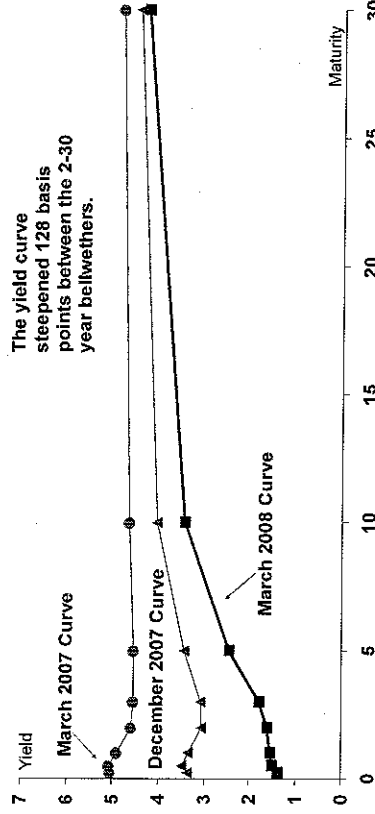


- The investment-grade bond market posted positive results during the first quarter due primarily to strong non-spread bond performance. The Lehman Brothers Aggregate Bond Index advanced 2.2%.
- Treasuries outperformed all spread sectors, gaining 4.4% for the quarter. Intermediate-term Treasuries outperformed both short- and longer-maturity Treasuries.
- The Lehman Brothers Credit Index edged up 0.4% during the quarter. In general, intermediate-term bonds outperformed long-term maturity issues. High-quality outperformed lower-rated debt as Aaa-rated issues returned 3.4% while Baa-rated bonds lost 1.1%. On average, credit spreads widened 96 basis points during the quarter.
- The Lehman Brothers MBS Index gained 2.4% for the quarter. CMBS and ABS were the worst performers in the investment grade index, losing 2.6% and 1.9% respectively.

Performance by Issuer



Treasury Yield Curves

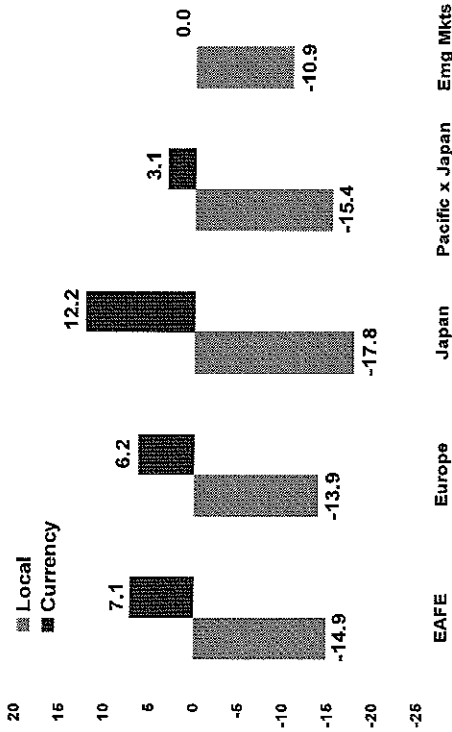


Other Markets

For Periods Ending March 2008

International Equity Market Performance

Regional Performance for the Quarter



- The international equity markets suffered widespread losses during the quarter, as the MSCI EAFE Index fell 8.8% in U.S. dollar terms. In local currency terms, the Index was down 14.9%.
- The dollar continued to fall, reaching a record low versus the euro and a 12-year low versus the yen in March.
- The Pacific region was down 9.5% for the quarter. The Pacific ex-Japan region declined 12.8% because of weak performance in Hong Kong, which posted an 18.9% loss.
- The European region declined 8.6% during the quarter. Germany was down 11.7%, while the U.K. and France lost 10.5% and 8.3% respectively.
- Stocks in the developing markets retreated as the MSCI EM Index fell 10.9% in dollar terms for the quarter. EM Asia and EM Europe were the weakest-performing regions, losing 14.1% and 13.3% respectively. The EM Latin America region held up best, losing 1.4%.

Other Asset Classes

High Yield Bonds

- The Lehman Brothers High Yield Bond Index was down 3.0% for the quarter, its worst quarterly return since June 2002. The average yield spread versus Treasuries widened 222 basis points during the quarter.
- Long-term bonds underperformed intermediate-term issues. By quality, lower-rated bonds underperformed higher-rated bonds by a wide margin. Ba-rated issues lost 1.2%, while Ca-D bonds fell 20.3%.

Real Estate

- Equity REITs, as measured by the FTSE NAREIT Index, returned 1.4% during the quarter.
- The latest data available for the private real estate market showed a fourth-quarter gain of 3.2% for the NCREIF Property Index.

Inflation Indexed Bonds

- Treasury Inflation Protected Securities (TIPS) were up 5.2% for the quarter, outperforming Treasuries by 75 basis points.

Commodities

- The S&P GSCI Index declined in March, but gained 9.9% for the quarter. Industrial metals, up 20.7%, was the top-performing sector, followed by energy, which gained 10.9%.

International Bonds

- The Citigroup Non-U.S. Government Bond Index returned 10.9% in U.S. dollar terms during the quarter, with most countries reporting double-digit gains.
- The Lehman Brothers Emerging Markets Index edged up 0.2% in the first quarter. The Emerging Americas gave up 0.3%, while the remaining regions saw modest gains.

Market Returns Summary

For Periods Ending March 2008

	QTR	YTD	1 YR	3 YRS*	5 YRS*	10 YRS*
Equity						
S&P 500	-9.4	-9.4	-5.1	5.9	11.3	3.5
Russell 1000 Value	-8.7	-8.7	-10.0	6.0	13.7	5.5
Russell 1000 Growth	-10.2	-10.2	-0.7	6.3	10.0	1.3
Russell MidCap	-10.0	-10.0	-8.9	7.4	16.3	7.7
Russell MidCap Value	-8.6	-8.6	-14.1	6.6	16.8	8.2
Russell MidCap Growth	-10.9	-10.9	-4.6	7.8	15.2	5.2
Russell 2000	-9.9	-9.9	-13.0	5.1	14.9	5.0
Russell 2000 Value	-6.5	-6.5	-16.9	4.3	15.4	7.5
Russell 2000 Growth	-12.8	-12.8	-8.9	5.7	14.2	1.7
Russell 3000	-9.5	-9.5	-6.1	6.1	12.1	3.9
Mercer Large Cap Value Equity Peer Group median	-8.8	-8.8	-6.8	6.7	14.1	6.4
Mercer Large Cap Growth Equity Peer Group median	-10.9	-10.9	0.4	7.4	11.5	4.8
Mercer Small Cap Value Equity Peer Group median	-7.2	-7.2	-13.7	5.6	16.6	9.0
Mercer Small Cap Growth Equity Peer Group median	-14.5	-14.5	-8.9	6.3	14.5	6.6
Fixed Income						
Citigroup Brothers 3-Month T-Bill	0.7	0.7	4.2	4.2	3.0	3.6
Lehman Brothers Int. Gov't/Credit	3.0	3.0	8.9	5.7	4.4	5.9
Lehman Brothers Gov't/Credit	2.5	2.5	8.4	5.5	4.6	6.1
Lehman Brothers Aggregate	2.2	2.2	7.7	5.5	4.6	6.0
Lehman Brothers Intermediate Government	4.1	4.1	11.2	6.3	4.3	5.8
Lehman Brothers Long Gov't/Credit	0.8	0.8	6.4	5.1	5.5	6.9
Lehman Brothers Mortgages	2.4	2.4	7.8	5.8	4.8	6.0
Lehman Brothers TIPS	5.2	5.2	14.5	6.7	6.8	8.2
Lehman Brothers High Yield	-3.0	-3.0	-3.7	4.9	8.6	4.8
Mercer Core Fixed Income Peer Group median**	1.5	1.5	6.3	5.3	4.8	6.1
International						
MSCI EAFE	-8.8	-8.8	-2.3	13.8	21.9	6.6
MSCI Emerging Markets	-10.9	-10.9	21.7	29.6	36.0	12.5
Citigroup Non-US Gov't Bond	10.9	10.9	22.3	7.4	9.0	7.4
Citigroup Non-US Gov't Bond - Hedged	2.1	2.1	6.1	4.9	4.3	5.6
Mercer International Equity Universe median**	-8.9	-8.9	-0.4	15.4	22.8	8.3
Miscellaneous						
NCREIF Property Index***	3.2	3.2	15.8	17.5	15.1	12.9
FTSE NAREIT	1.4	1.4	-17.4	11.7	18.3	10.7
Merrill Lynch Inv. Grade Convertible	-2.0	-2.0	4.2	5.8	5.7	4.6
Goldman Sachs Commodity Index	9.9	9.9	38.6	8.4	16.0	11.4
Inflation						
CPI	0.8	0.8	4.0	3.4	2.7	2.8
Index at 12/31/07		S&P 500		Russell 2000		Wilshire 5000
	Dow Jones	1,468.36		766.03		14,819.60
Index at 3/31/08		S&P 500		Russell 2000		Wilshire 5000
	Dow Jones	1,322.70		687.97		13,332.00

* Annualized

** Preliminary

*** The NCREIF Property returns are one quarter in arrears.

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Domestic Equity – Largest Positive & Negative Contributors to S&P 500

For First Quarter 2008

Domestic Equity - Largest Positive & Negative Contributors to S&P 500
For Periods Ending March 31, 2008

S&P 500 Quarterly Return = -9.44%

25 Largest Positive Contributors

Stock	Return (%)	End of Quart Weight	Cap Rank
WAL MART STORES INC COM	11.33%	1.09%	14
IBM CORP COM	6.89%	1.40%	9
EOG RES INC COM	34.59%	0.26%	93
YAHOO INC	24.38%	0.34%	71
DEVON ENERGY CORP NEW COM	17.52%	0.41%	56
CELGENE CORP	32.63%	0.23%	103
XTO ENERGY INC COM	20.68%	0.28%	88
GILEAD SCIENCES INC COM	12.00%	0.42%	51
CSX CORP COM	27.88%	0.20%	122
APACHE CORP COM	12.62%	0.35%	68
CATERPILLAR INC	8.44%	0.43%	50
COMCAST CORP NEW CL A	6.26%	0.51%	37
CHESAPEAKE ENERGY CORP COM	17.90%	0.19%	130
QUALCOMM INC	4.54%	0.58%	31
UNITED PARCEL SVC INC CL B	3.91%	0.66%	29
GENERAL ELEC CO COM	0.77%	3.24%	2
DU PONT E I DE NEMOURS & CO	6.98%	0.37%	64
BURLINGTON NORTH SANTA FE CORP	11.19%	0.24%	99
ZIMMER HLDGS INC COM	17.70%	0.16%	158
NUCOR CORP	15.27%	0.17%	147
APPLIED MATLS INC COM	10.20%	0.23%	105
TYCO INTERNATIONAL LTD BERMUDA	11.48%	0.19%	128
HOME DEPOT INC COM	4.66%	0.41%	54
PUBLIC STORAGE COM	21.47%	0.10%	244
TJX COS INC NEW COM	15.43%	0.13%	196

25 Largest Negative Contributors

Stock	Return (%)	End of Quarter Weight	Cap Rank
GOOGLE INC CL A	-36.30%	0.90%	24
MICROSOFT CORP COM	-19.96%	1.99%	4
APPLE INC	-27.55%	1.11%	13
EXXON MOBIL CORP	-9.36%	3.97%	1
MERCK & CO INC COM	-34.04%	0.72%	27
CITIGROUP INC COM	-26.42%	0.98%	20
AMERICAN INTL GROUP INC COM	-25.47%	0.96%	21
ALTRIA GROUP INC	-69.63%	0.41%	55
INTEL CORP	-20.05%	1.08%	15
UNITEDHEALTH GROUP INC COM	-40.91%	0.38%	60
WELLPOINT INC	-49.70%	0.21%	116
WACHOVIA CORP NEW COM	-27.52%	0.47%	45
SCHERING PLOUGH CORP COM	-45.73%	0.20%	120
VERIZON COMMUNICATIONS COM	-15.65%	0.92%	22
GOLDMAN SACHS GROUP INC COM	-22.96%	0.57%	32
SPRINT NEXTEL CORP COM SER 1	-49.05%	0.17%	152
CONOCOPHILLIPS	-13.20%	1.04%	17
CISCO SYS INC COM	-11.01%	1.26%	11
AT & T INC COM	-6.89%	2.03%	3
CHEVRON CORPORATION COM	-7.93%	1.55%	7
MOTOROLA INC COM	-41.71%	0.18%	131
LEHMAN BROS HLDGS INC COM	-42.29%	0.18%	144
SCHLUMBERGER LTD COM	-11.34%	0.91%	23
FANNIE MAE	-33.49%	0.23%	110
MERRILL LYNCH & CO INC	-23.57%	0.35%	70

Data Source: Compustat

Report Date: April 22, 2008

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Asset Allocation

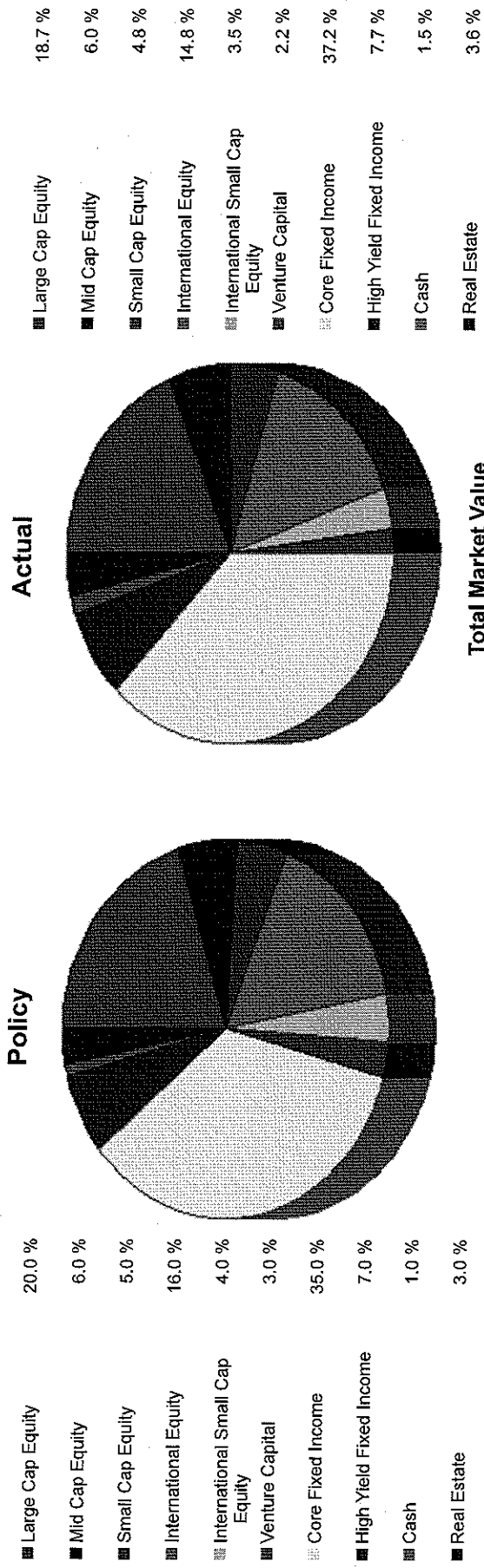
Employees' Retirement System of the County of Milwaukee
Asset Summary
As of March 31, 2008

	Total Market Value	%	%
	\$	100.0	100.0
Total Fund	1,517.2	100.0	100.0
Total Equity Fund	725.1	47.8	100.0
Large Cap Equity	284.3	18.7	39.2
Boston Partners Asset Mgmt.	114.4	7.5	15.8
Mellon Capital Management Corp Russell 1000 Growth	72.8	4.8	10.0
Mellon Capital Management Corp S&P 500	97.1	6.4	13.4
Mid Cap Equity	91.3	6.0	12.6
iShares (BGI)	22.5	1.5	3.1
Artisan Partners Limited PInr	23.0	1.5	3.2
Earnest Partners LLC	23.2	1.5	3.2
Reinhart Partners, Inc.	21.5	1.4	3.0
Small Cap Equity	72.7	4.8	10.0
Westfield Capital Mgmt Co LLC	37.3	2.5	5.1
AQR Capital Management, LLC	35.4	2.3	4.9
International Equity	224.4	14.8	30.9
Baring Asset Management Co	92.2	6.1	12.7
Grantham, Mayo, Van Otterloo	132.0	8.7	18.2
International Small Cap Equity			
Capital Guardian Trust Company	52.4	3.5	7.2
Venture Capital	33.1	2.2	100.0
Adams Street Partners	30.4	2.0	91.6
Progress Investment Mgmt. Co.	2.8	0.2	8.4

Employees' Retirement System of the County of Milwaukee
Asset Summary
As of March 31, 2008

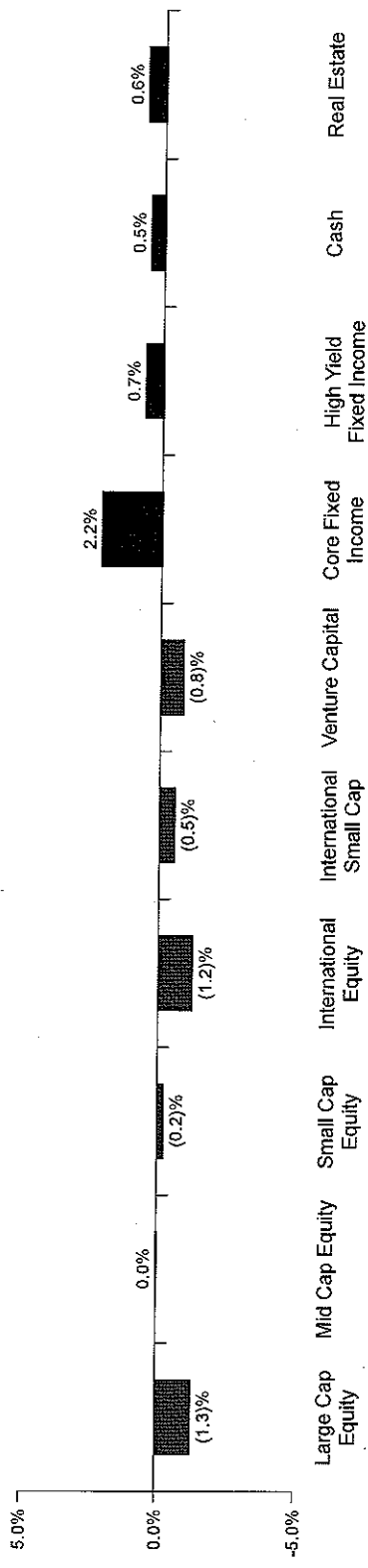
	Total Market Value	% of Total Fund	% of Asset Class
	\$	%	%
Total Fixed Fund	680.8	44.9	100.0
Core Fixed Income	564.6	37.2	82.9
JPMorgan Asset Management	113.8	7.5	16.7
Mellon Capital Management Corp	353.2	23.3	51.9
Loomis, Sayles & Company, L.P.	97.6	6.4	14.3
High Yield Fixed Income			
Loomis, Sayles & Company, L.P.	116.2	7.7	17.1
Cash			
Cash Account	22.9	1.5	100.0
Real Estate			
CRA Real Estate Securities	55.3	3.6	100.0

Employees' Retirement System of the County of Milwaukee
Asset Allocation
As of March 31, 2008



Total Market Value
\$ 1,517,246,079

Asset Allocation vs. Policy

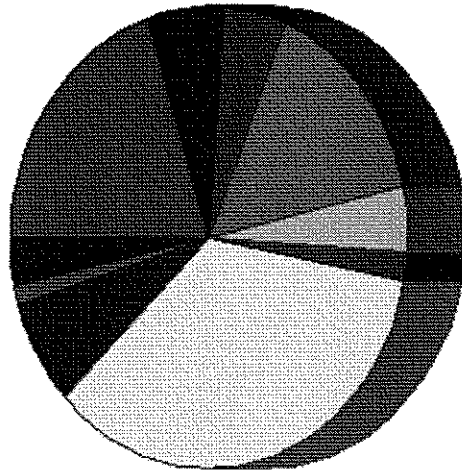


Numbers may not add due to rounding

Employees' Retirement System of the County of Milwaukee
 Asset Allocation
 As of March 31, 2008

Prior Asset Allocation - December 31, 2007

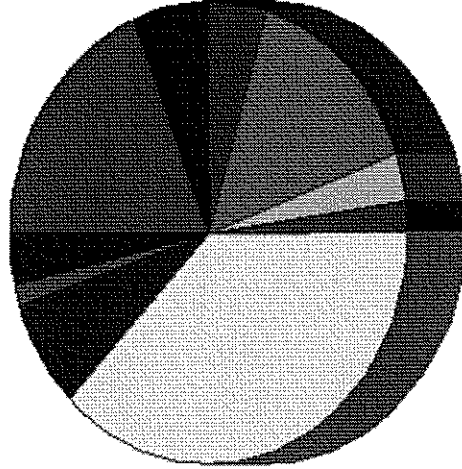
■ Large Cap Equity	19.8 %
■ Mid Cap Equity	6.3 %
■ Small Cap Equity	5.0 %
■ International Equity	15.3 %
■ International Small Cap Equity	4.6 %
■ Venture Capital	2.0 %
■ Core Fixed Income	34.7 %
■ High Yield Fixed Income	7.5 %
■ Cash	1.3 %
■ Real Estate	3.4 %



**Total Market Value
 \$ 1,606,083,022**

Current Asset Allocation - March 31, 2008

■ Large Cap Equity	18.7 %
■ Mid Cap Equity	6.0 %
■ Small Cap Equity	4.8 %
■ International Equity	14.8 %
■ International Small Cap Equity	3.5 %
■ Venture Capital	2.2 %
■ Core Fixed Income	37.2 %
■ High Yield Fixed Income	7.7 %
■ Cash	1.5 %
■ Real Estate	3.6 %



**Total Market Value
 \$ 1,517,246,079**

Performance

Employees' Retirement System of the County of Milwaukee
Performance Summary
Period Ending March 31, 2008

	Market Value	% of Total Fund	Annualized				
			Quarter	1 Year	3 Years	5 Years	
Total Fund*	\$ 1,517.2	100.0 %	(4.5)%	(0.8)%	8.3 %	12.6 %	
Rank vs. Total Funds Billion Dollar - Public						61	
Total Funds Billion Dollar - Public Med							
Composite Market Index			(5.1)	1.0	9.4	12.9	
CPI + 4.0%			(4.4)	(1.1)	7.8	11.9	
			2.6	8.0	7.4	7.0	
Combined Domestic Equity	448.3	29.5	(10.1)	(6.2)	6.3	13.1	
Rank vs. Mercer US Equity Combined Universe						63	
Mercer US Equity Combined Universe Med							
Composite Equity Index			(9.8)	(6.2)	6.8	14.2	
S&P 500 - Total Return Index			(9.6)	(7.1)	5.7	12.3	
Dow Jones Wilshire 5000 (Full Cap)			(9.4)	(5.1)	5.9	11.3	
			(9.6)	(5.8)	6.5	12.5	
Combined International Equity	276.8	18.2	(10.3)	(4.7)	14.2	23.3	
Rank vs. Mercer Intl Equity Universe						40	
Mercer Intl Equity Universe Med							
MSCI EAFE Index			(8.9)	(0.4)	15.3	22.8	
			(8.8)	(2.3)	13.8	21.9	
Combined Fixed Income	680.8	44.9	1.3	5.8	5.8	6.6	
Rank vs. Mercer US Fixed Combined Universe						17	
Mercer US Fixed Combined Universe Med							
Composite Fixed Income Index			1.5	6.2	5.3	4.7	
Lehman Brothers Aggregate Bond			1.4	5.9	5.4	5.4	
			2.2	7.7	5.5	4.6	
Combined Real Estate	55.3	3.6	1.6	(16.6)	13.3	19.4	
Rank vs. Mercer US Real Estate Public REITS Universe						66	
Mercer US Real Estate Public REITS Universe Med							
Dow Jones Wilshire REIT Index			2.1	(17.0)	13.1	20.0	
			2.1	(18.8)	12.0	18.5	

*The Total Fund market value and return calculations include Venture Capital and Alternative Investments (based on custody values) as of January 1, 2007 forward. Notes to the Performance Summary can be found in the Appendix.

Employees' Retirement System of the County of Milwaukee
Performance Summary
Period Ending March 31, 2008

	Market Value	% of Total Fund	Annualized			
			Quarter	1 Year	3 Years	5 Years
Large Cap Value Equity Manager						
Boston Partners Asset Mgmt.	\$ 114.4	7.5 %	(11.9) %	(7.9) %	7.6 %	14.0 %
Rank vs. Mercer US Equity Large Cap Value Universe						51
Large Cap Growth Equity Manager						
Mellon Capital Management Corp Russell 1000 Growth	72.8	4.8	(10.2)	(0.8)	6.3	10.0
Rank vs. Mercer US Equity Large Cap Value Universe Med						14.1
Large Cap Index Equity Manager						
Mellon Capital Management Corp S&P 500	97.1	6.4	(9.4)	(5.0)	5.9	11.4
Rank vs. Mercer US Equity Large Cap Value Universe Med						14.2
Mid Cap Value Manager						
IShares Inc.	22.5	1.5	(8.6)	--	--	--
Rank vs. Mercer US Equity Mid Cap Value Universe						16.5
Mid Cap Growth Equity Manager						
Artisan Partners Limited Ptnr	23.0	1.5	(12.7)	3.1	10.1	15.7
Rank vs. Mercer US Equity Mid Cap Growth Universe						46
Mid Cap Equity Managers						
Earnest Partners LLC	23.2	1.5	(6.7)	(0.1)	8.5	--
Rank vs. Mercer US Equity Mid Cap Core Universe						15.3
Rank vs. Mercer US Equity Mid Cap Growth Universe						16.2
Rank vs. Mercer US Equity Mid Cap Growth Universe Med						8.7
Russell Midcap Growth + 1.0%			3.0	9.7	9.1	
CPI + 5.7%						
Rank vs. Mercer US Equity Mid Cap Core Universe						15.6
Rank vs. Mercer US Equity Mid Cap Growth Universe Med						17.3
Russell Midcap + 1.0%			3.0	9.7	9.1	
CPI + 5.7%						

Employees' Retirement System of the County of Milwaukee
 Performance Summary
 Period Ending March 31, 2008

	Market Value	% of Total Fund	Annualized				
			Quarter	1 Year	3 Years	5 Years	
Reinhart Partners, Inc.							
Rank vs. Mercer US Equity Mid Cap Core Universe	\$ 21.5	1.4 %	(8.9)% 39	(6.5)% 37	9.8 % 15	-- %	
Mercer US Equity Mid Cap Core Universe Med			(9.6)	(8.2)	7.2	15.6	
S&P MidCap 400 Index			(8.8)	(7.0)	7.1	15.1	
CPI + 5.7%			3.0	9.7	9.1	8.7	
Small Cap Equity Managers							
Westfield Capital Mgmt Co LLC	37.3	2.5	(11.9)	(2.8)	8.1	15.5	36
Rank vs. Mercer US Equity Small Cap Growth Universe			(14.5)	(8.9)	6.3	14.5	
Mercer US Equity Small Cap Growth Universe Med			(12.8)	(8.9)	5.7	14.2	
Russell 2000 Growth Index			3.0	9.9	9.3	8.9	
CPI + 5.9%			(5.4)	(15.2)	--	--	
AQR Capital Management, LLC	35.4	2.3	(7.2)	(13.7)	5.6	16.6	
Rank vs. Mercer US Equity Small Cap Value Universe			(6.5)	(16.9)	4.3	15.4	
Mercer US Equity Small Cap Value Universe Med			(9.2)	(11.0)	7.1	16.9	
Russell 2000 Value Index			3.0	9.9	9.3	8.9	
CPI + 5.9%							

Employees' Retirement System of the County of Milwaukee
Performance Summary
Period Ending March 31, 2008

	Market Value	% of Total Fund	Annualized				
			Quarter	1 Year	3 Years	5 Years	
International Equity Manager							
Baring Asset Management Co	\$ 92.2	6.1 %	(9.5) %	-- %	-- %	22	
Grantham, Mayo, Van Otterloo	132.0	8.7	(8.3)	(1.3)	14.7	57	
Rank vs. Mercer Intl Equity Universe							
Mercer Intl Equity Universe Med			(8.9)	(0.4)	15.3	22.8	
EAFE + 1.0%			(8.5)	(1.3)	14.8	22.9	
CPI + 6.7%			3.2	10.7	10.1	9.7	
International Small Cap Equity Manager							
Capital Guardian Trust Company	52.4	3.5	(15.8)	(10.6)	16.1	61	
Rank vs. Mercer Intl Equity Small Cap Universe							
Mercer Intl Equity Small Cap Universe Med			(7.6)	(6.8)	17.4	29.4	
MSCI WORLD EX US SMALL CAP + 1.0%			(6.0)	(8.6)	12.9	26.9	
CPI + 6.9%			3.2	10.9	10.3	9.9	
Core Fixed Income Managers							
Meillon Capital Management Corp	353.2	23.3	2.3	7.9	5.6	4.6	
Lehman Brothers Aggregate Bond			2.2	7.7	5.5	4.6	
JPMorgan Asset Management	113.8	7.5	2.0	7.4	--	--	
Rank vs. Mercer US Fixed Core Investment Grade Universe							
Mercer US Fixed Core Investment Grade Universe Med			1.9	7.0	5.4	4.7	
LB Aggregate + 0.5%			2.2	8.2	6.0	5.1	
CPI + 2.6%			2.3	6.6	6.0	5.6	
Loomis, Sayles & Company, L.P.	97.6	6.4	(0.3)	6.0	5.9	17	
Rank vs. Mercer US Fixed Core Investment Grade Universe							
Mercer US Fixed Core Investment Grade Universe Med			1.9	7.0	5.4	4.7	
LB Aggregate + 0.5%			2.2	8.2	6.0	5.1	
CPI + 2.6%			2.3	6.6	6.0	5.6	

Employees' Retirement System of the County of Milwaukee
Performance Summary
Period Ending March 31, 2008

	Market Value	% of Total Fund	Annualized				
			Quarter	1 Year	3 Years	5 Years	
High Yield Fixed Income Manager Loomis, Sayles & Company, L.P. Rank vs. Mercer US Fixed High Yield Universe	\$ 116.2	7.7 %	(1.9)% 31	(2.1)% 50	5.1 % 66	10.0 % 13	
Mercer US Fixed High Yield Universe Med			(2.5)	(2.2)	5.3	8.4	
Merrill Lynch HY + 1.5%			(2.6)	(2.0)	6.4	10.0	
CPI + 5.0%			2.8	9.0	8.4	8.0	
Real Estate Manager CRA Real Estate Securities Rank vs. Mercer US Real Estate Public REITS Universe	55.3	3.6	1.6 66	(16.6) 44	13.3 46	19.4 66	
Mercer US Real Estate Public REITS Universe Med			2.1	(17.0)	13.1	20.0	
Dow Jones Wilshire REIT + 1.0%			2.4	(17.8)	13.1	19.5	
MSCI US REIT + 1.0%			2.3	(17.0)	12.8	19.2	
CPI + 5.9%			3.0	9.9	9.3	8.9	

Employees' Retirement System of the County of Milwaukee
 Performance Summary - Trailing 7 years
 As of March 31, 2008

	7 Years
Total Fund	8.4
vs. Composite Market Index	7.5
CPI + 4%	6.8
Boston Partners	6.9
vs. Russell 1000 Value + 1.0%	7.3
S&P 500 + 1.0%	4.7
CPI + 6.5%	9.3
Mellon Capital Management - S&P 500	3.7
vs. S&P 500	3.7
Artisan Partners	7.7
vs. Russell Mid Cap Growth + 1.0%	7.7
CPI + 5.7%	8.5
Grantham, Mayo *	15.8
vs. EAFE + 1.0%	10.6
CPI + 6.7%	9.5
Capital Guardian	14.4
vs. MSCI World Ex U.S. Small Cap + 1.0%	14.0
CPI + 6.9%	9.7
Mellon Capital Management	5.7
vs. LB Aggregate	5.7
Loomis, Sayles	8.6
vs. Fixed Income Reference Index + 0.5%	6.2
LB Aggregate + 0.5%	6.2
CPI + 2.6%	5.4
Loomis, Sayles	8.9
vs. Merrill Lynch High Yield + 1.5%	8.3
CPI + 5.0%	7.8
ING Clarion Real Estate Securities	16.2
vs. Wilshire REIT Index + 1.0%	16.7
MSCI US REIT Index + 1.0%	16.5
CPI + 5.9%	8.7

* Reported net of fees.

Employees' Retirement System of the County of Milwaukee
 Performance Summary
 Period Ending December 31, 2007

Annualized

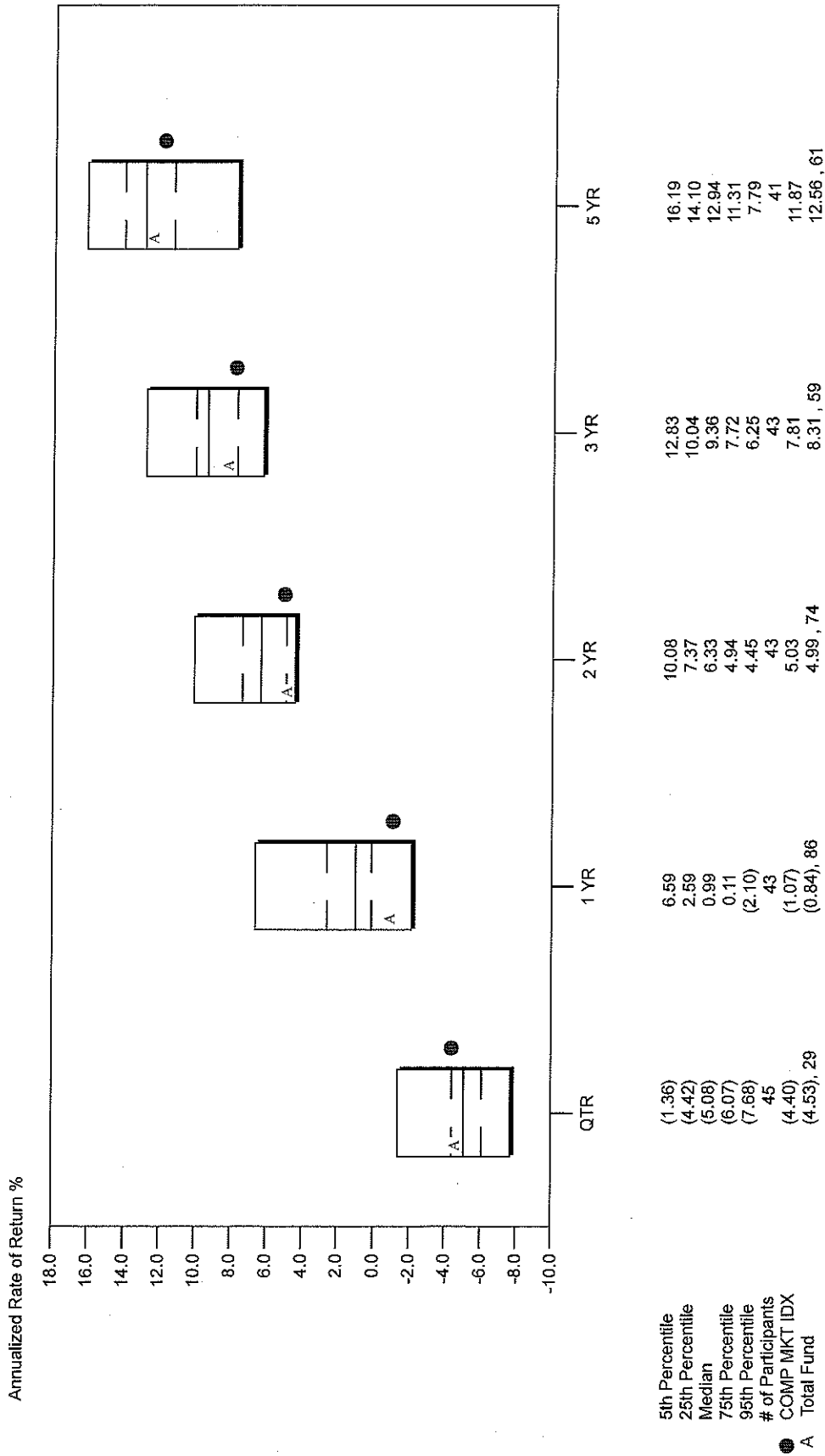
	Market Value	Quarter	1 Year	3 Years	5 Years	IRR Since Inception	Inception Date
Venture Capital Managers							
Adams Street Partners - Combined	\$0.5	19.9 %	37.3 %	143.3 %	25.8 %	8.9 %	11/15/1985
Adams Street Partners - Old Portfolio	0.1	-5.6	-2.9	359.9	15.6	5.7	11/15/1985
Adams Street Partners - New Portfolio	0.5	31.7	51.3	77.3	38.2	26.4	1/10/1992
Adams Street Partners - Partnership Fund Program	4.8	-	-	-	-	15.1	2/11/2005
US Fund						10.3	2/11/2005
Non-US Fund						26.5	3/24/2005
Brinson Partnership Fund Program	18.9	3.5	19.6	22.4	18.6	11.2	1/26/1998
16% Annualized Rate of Return		3.8	16.0	16.0	16.0	16.0	
Progress	0.6	-	-	-	-	-3.3	7/1/1995
16% Annualized Rate of Return		3.8	16.0	16.0	16.0	16.0	

Notes to the Performance Summary can be found in the Appendix.

Total Funds Billion Dollar - Public

Return Quartiles

Periods Ending March 31, 2008



Performance & Risk Analytics Trust Universe

Asset Allocation

Quarter Ending March 31, 2008

Market Value in Millions

	Total Fund	US Equity	US Fixed Income	Non-US Equity	Non-US Fixed	Alternative Inv.	Real Estate	Cash	Total
Market Value in US Dollars									
Total Funds Billion Dollar - Public									
Total	887,491.22	283,545.63	237,222.00	179,323.20	12,354.31	59,726.27	31,357.51	13,164.51	92%
Average	23,986.25	7,876.27	6,411.41	5,123.52	823.62	2,844.11	2,090.50	940.32	1%
Maximum									
5th		77.41%	75.52%	31.22%	7.03%	34.70%	12.84%	13.65%	
25th		57.61%	45.82%	26.63%	7.01%	20.05%	12.14%	13.30%	
Median		40.10%	28.09%	22.13%	5.32%	9.12%	7.28%	3.91%	
75th		34.60%	25.46%	19.59%	3.08%	7.29%	5.86%	2.40%	
95th		29.75%	20.12%	17.02%	1.02%	3.92%	4.45%	2.05%	
Minimum		19.30%	13.62%	14.26%	0.00%	1.58%	0.00%	1.44%	
		15.11%	2.12%	6.86%	0.00%	1.04%	0.00%	.82%	

Report is based upon plans that have submitted asset class data greater than 70% of the total market value. 37 out of 45 accounts represented from the universe run.

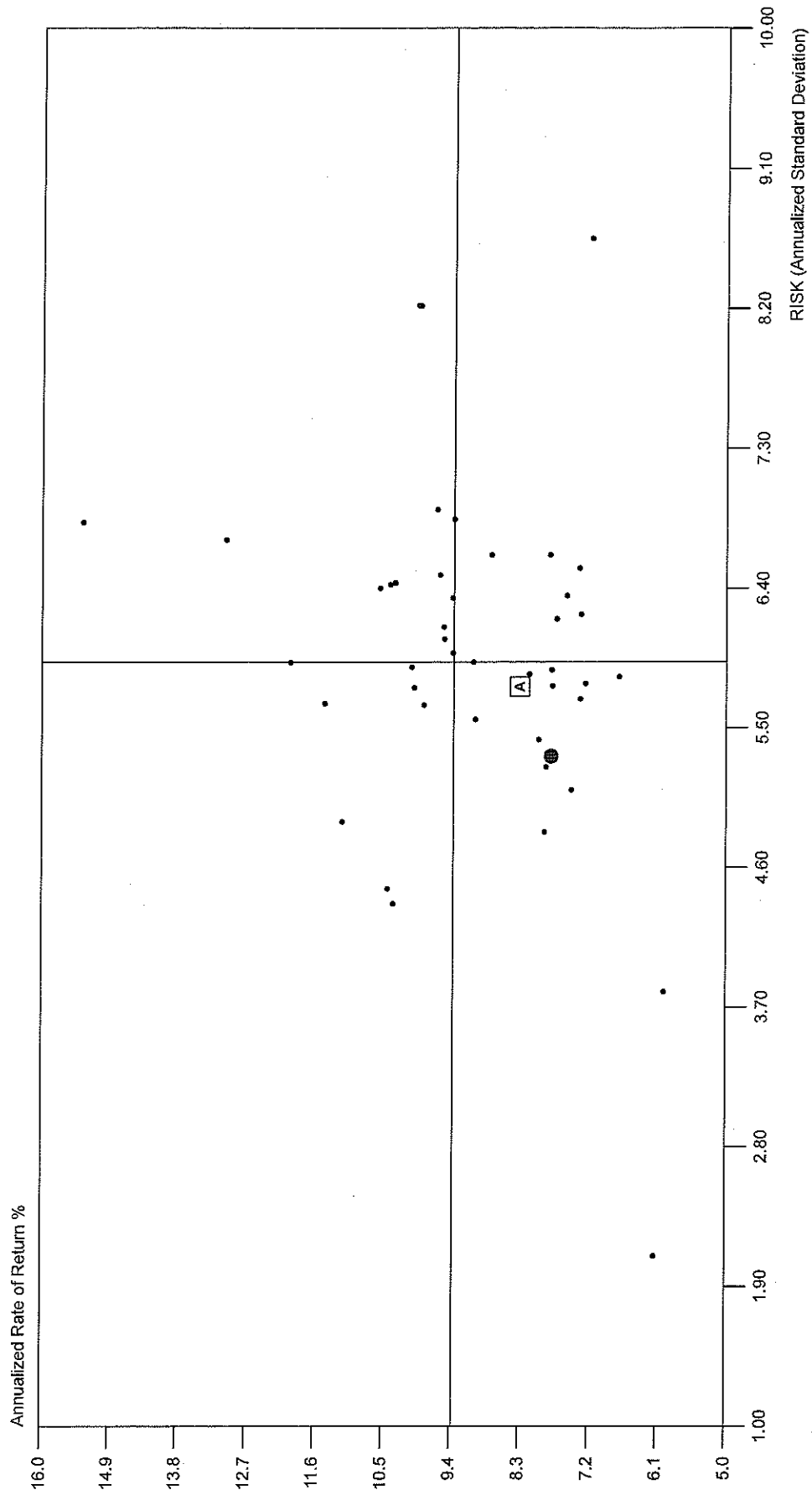
Total does not equal 100% due to asset class market values not reported.

Total Funds Billion Dollar - Public

Risk-Return Comparisons

3 Years Ending March 31, 2008

43 Portfolios



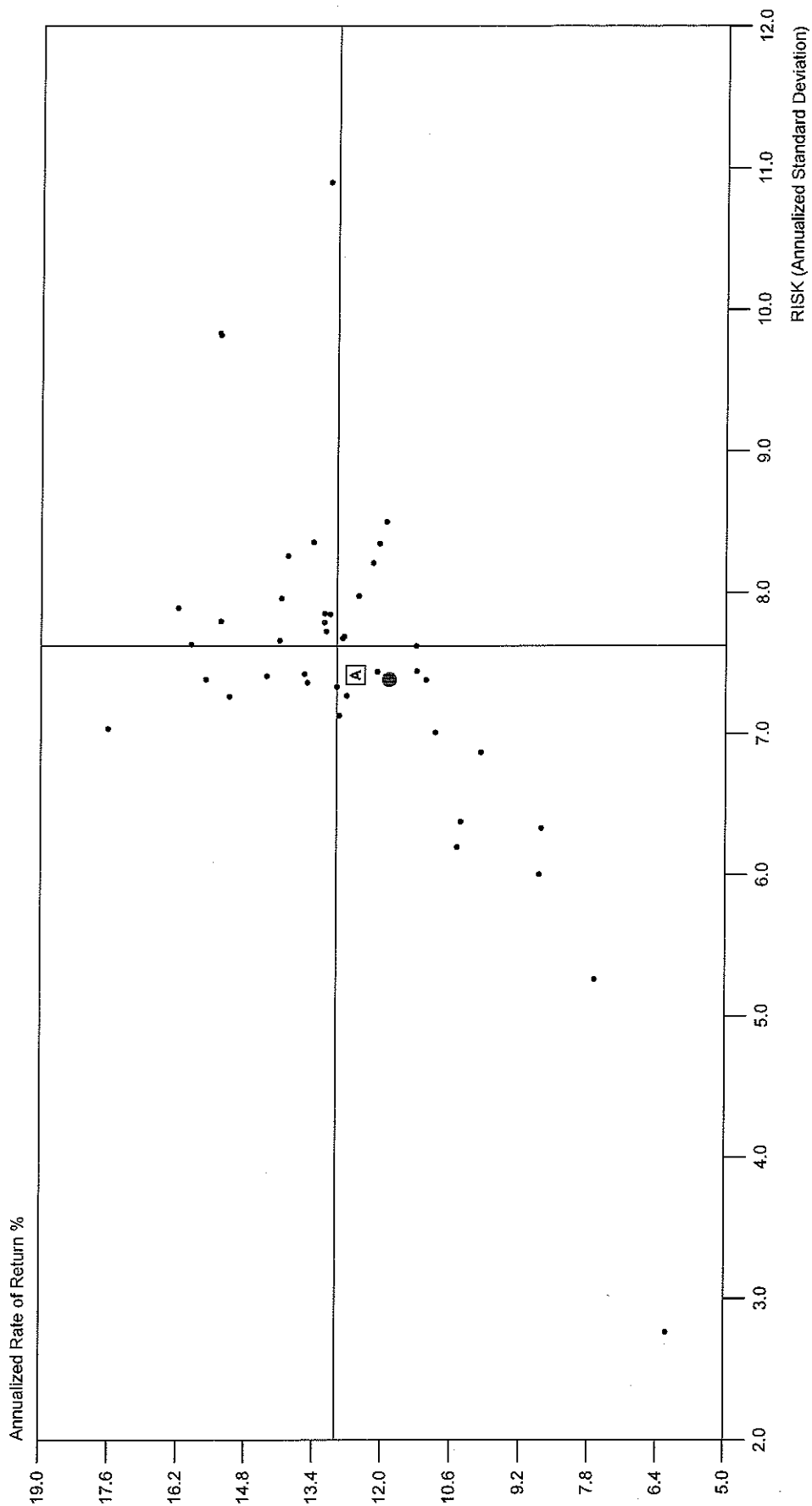
Mercer

Total Funds Billion Dollar - Public

Risk-Return Comparisons

5 Years Ending March 31, 2008

41 Portfolios



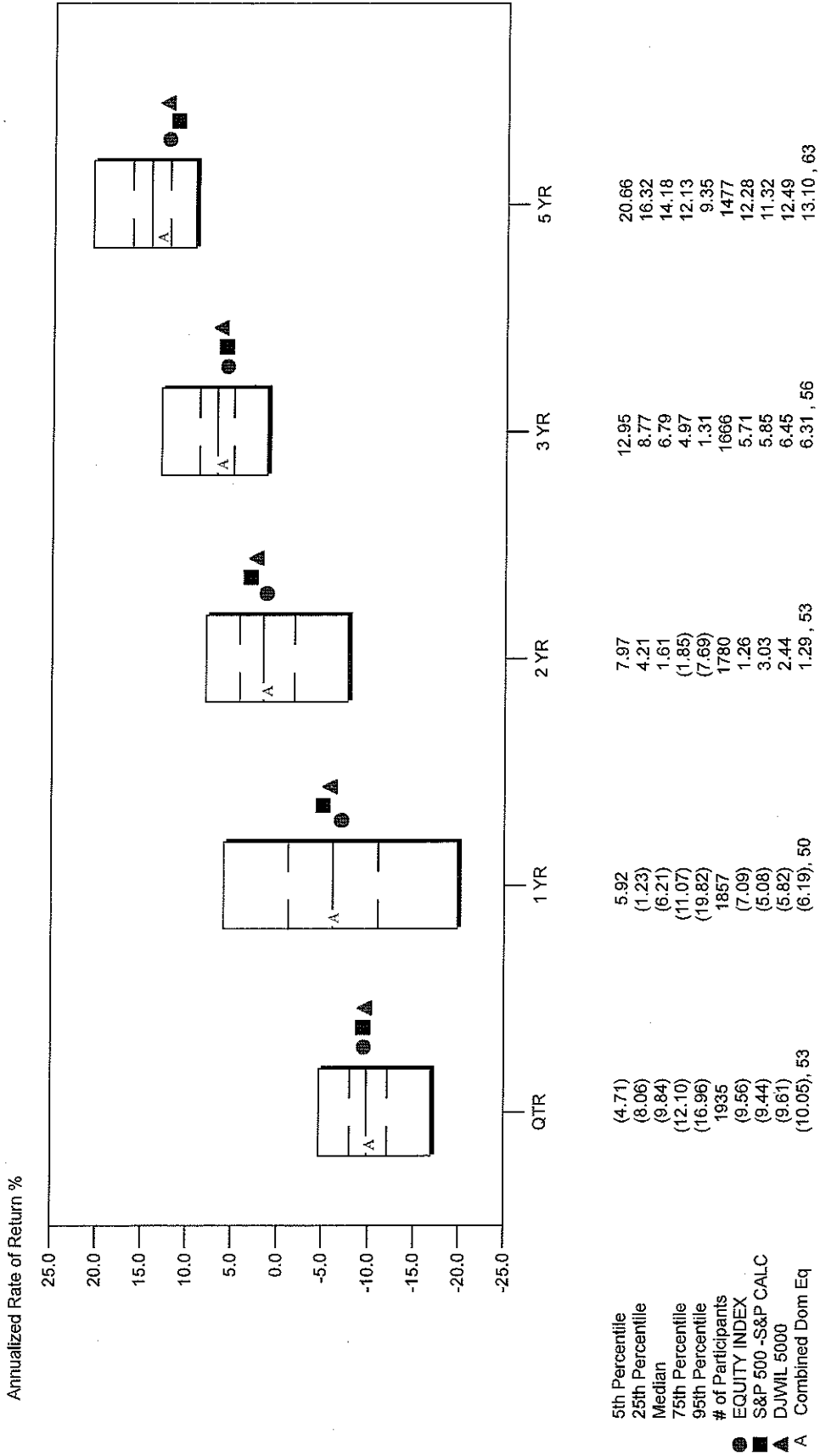
A Total Fund 12.56, 61
 ● COMP MKT IDX

Mercer

Mercer US Equity Combined Universe

Return Quartiles

Periods Ending March 31, 2008

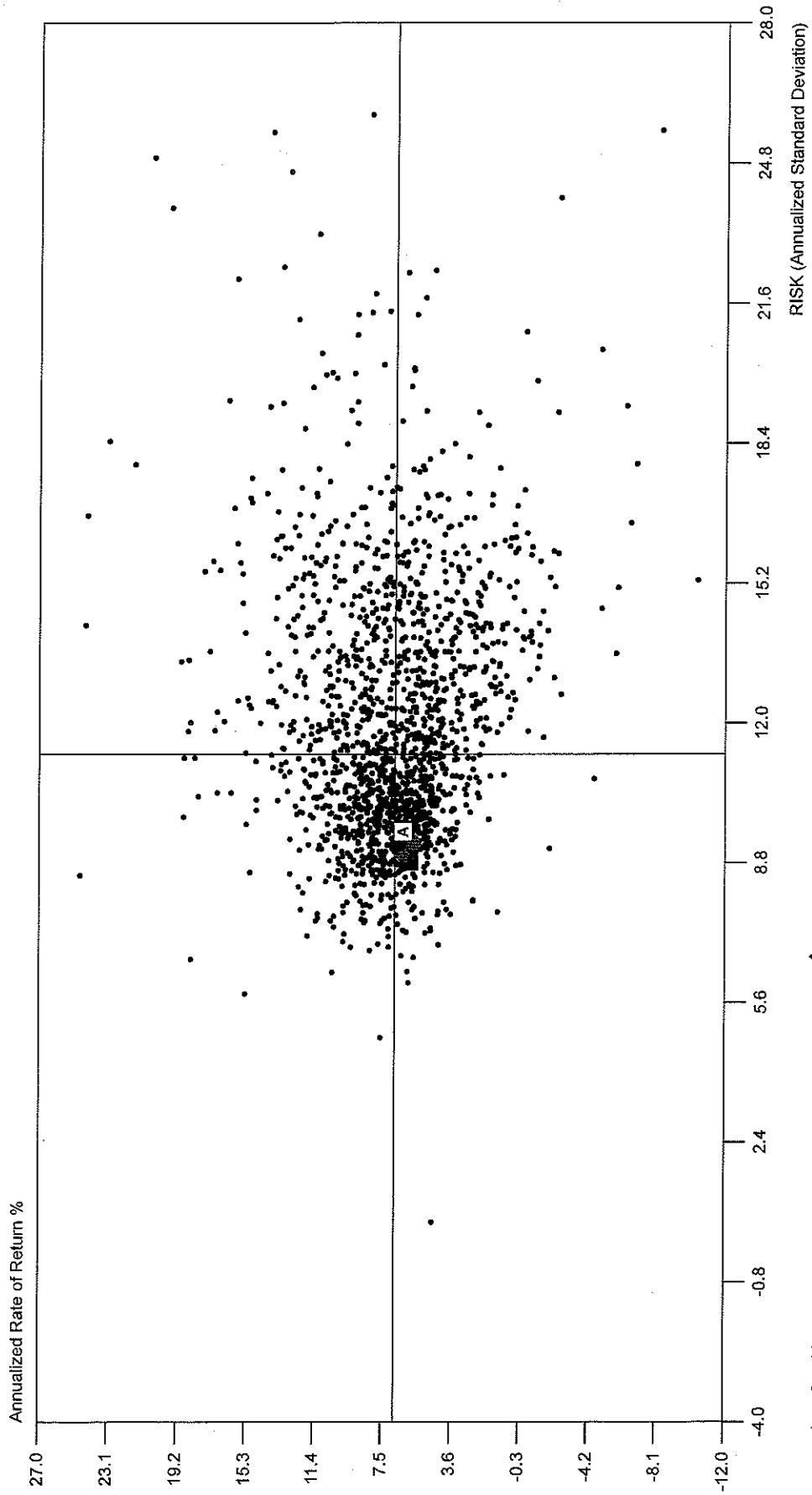


Mercer US Equity Combined Universe

Risk-Return Comparisons

3 Years Ending March 31, 2008

1666 Portfolios



A Combined Dom Eq 6.31, 56
EQUITY INDEX
B S&P 500 -S&P CALC
C DJWIL 5000

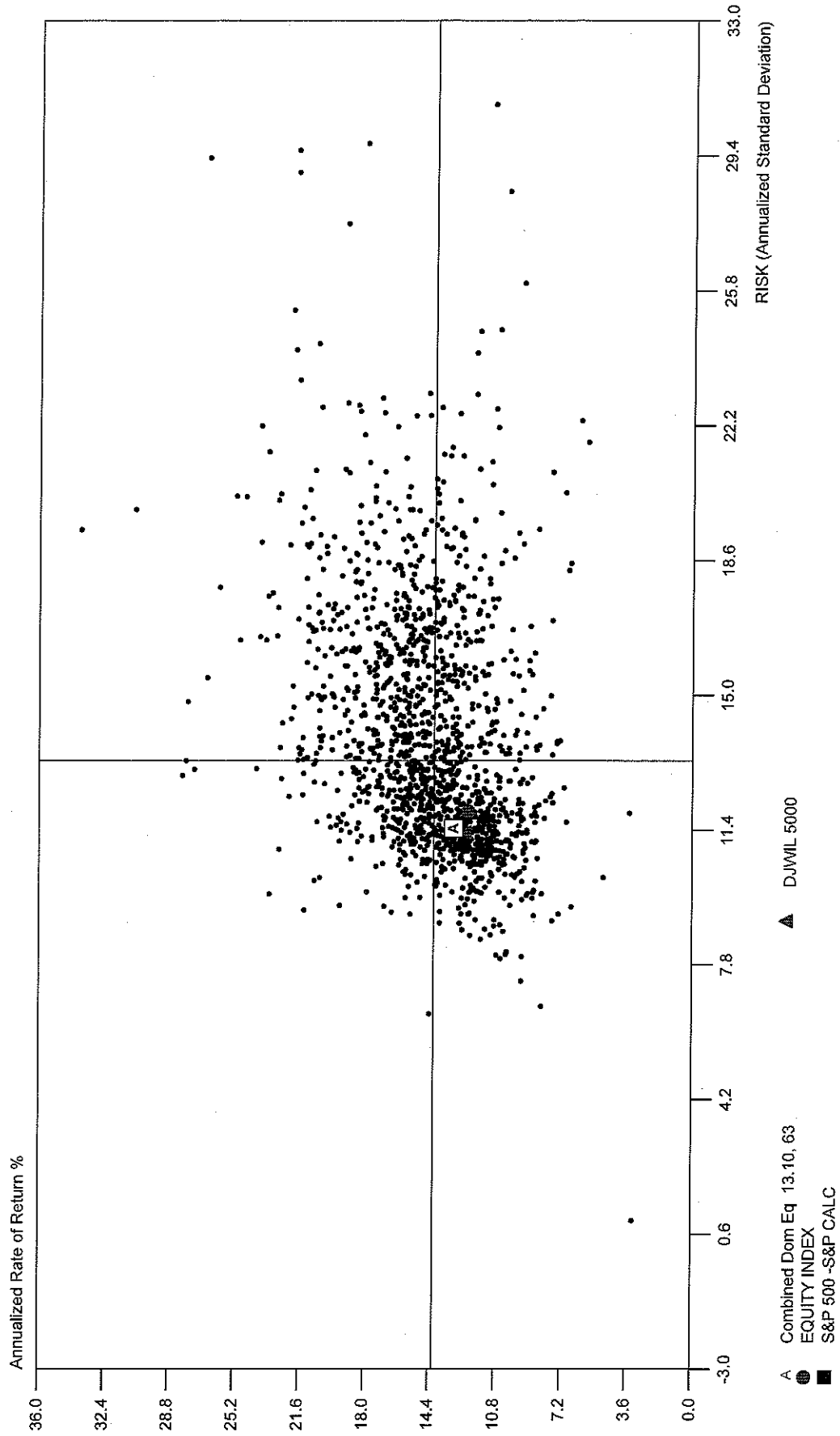
Mercer

Mercer US Equity Combined Universe

Risk-Return Comparisons

5 Years Ending March 31, 2008

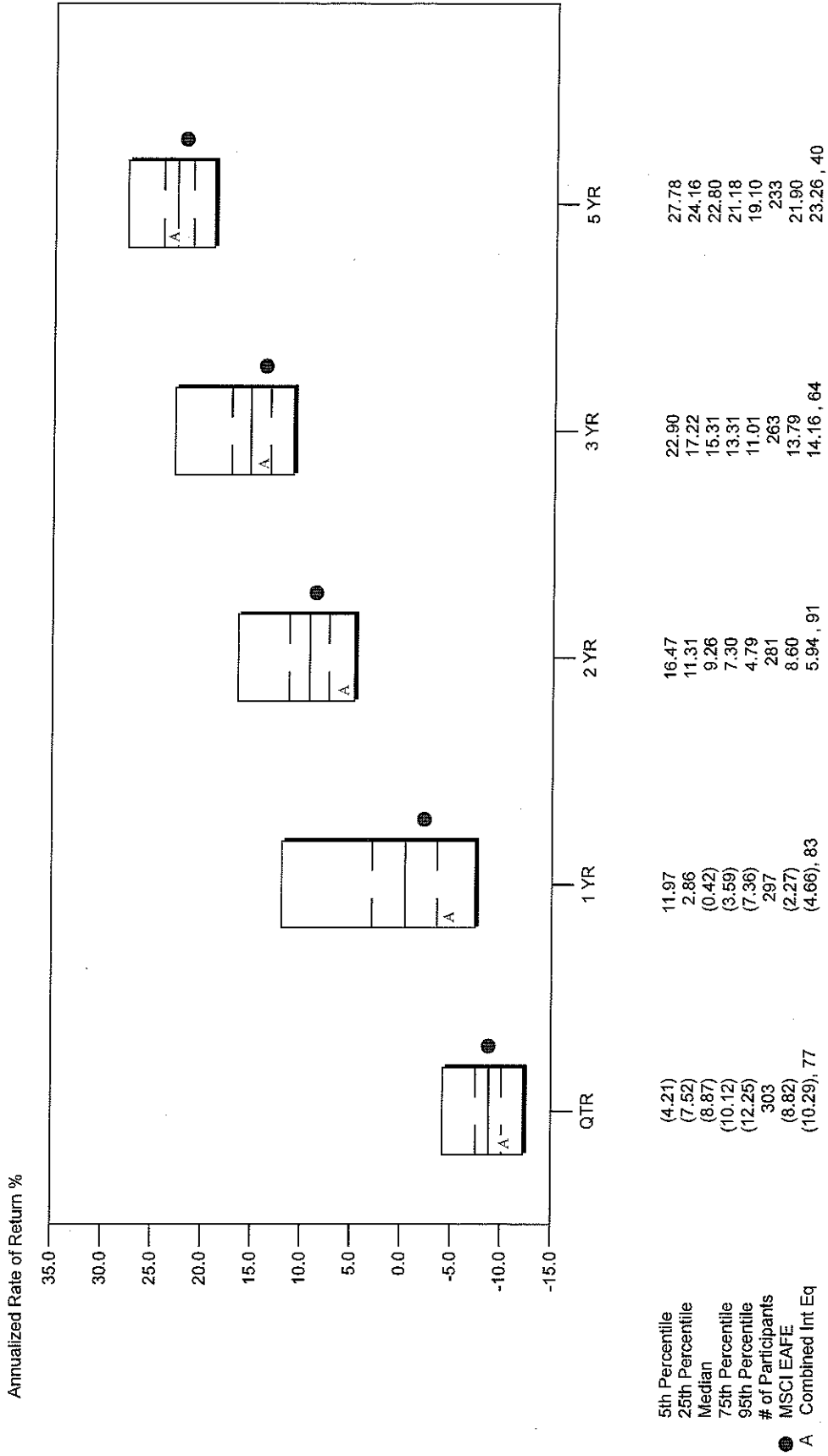
1477 Portfolios



Mercer Intl Equity Universe

Return Quartiles

Periods Ending March 31, 2008

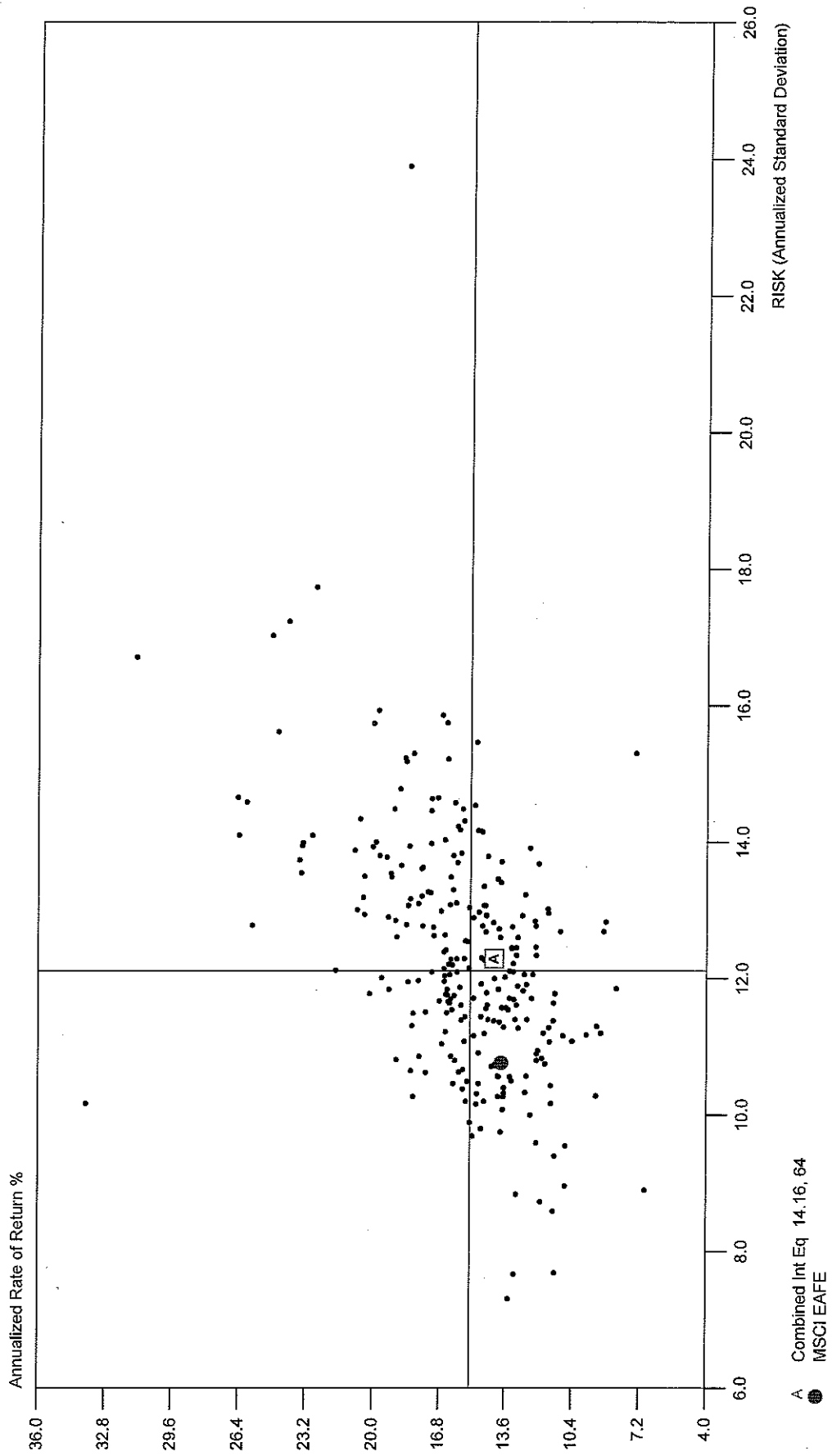


Mercer Intl Equity Universe

Risk-Return Comparisons

3 Years Ending March 31, 2008

263 Portfolios

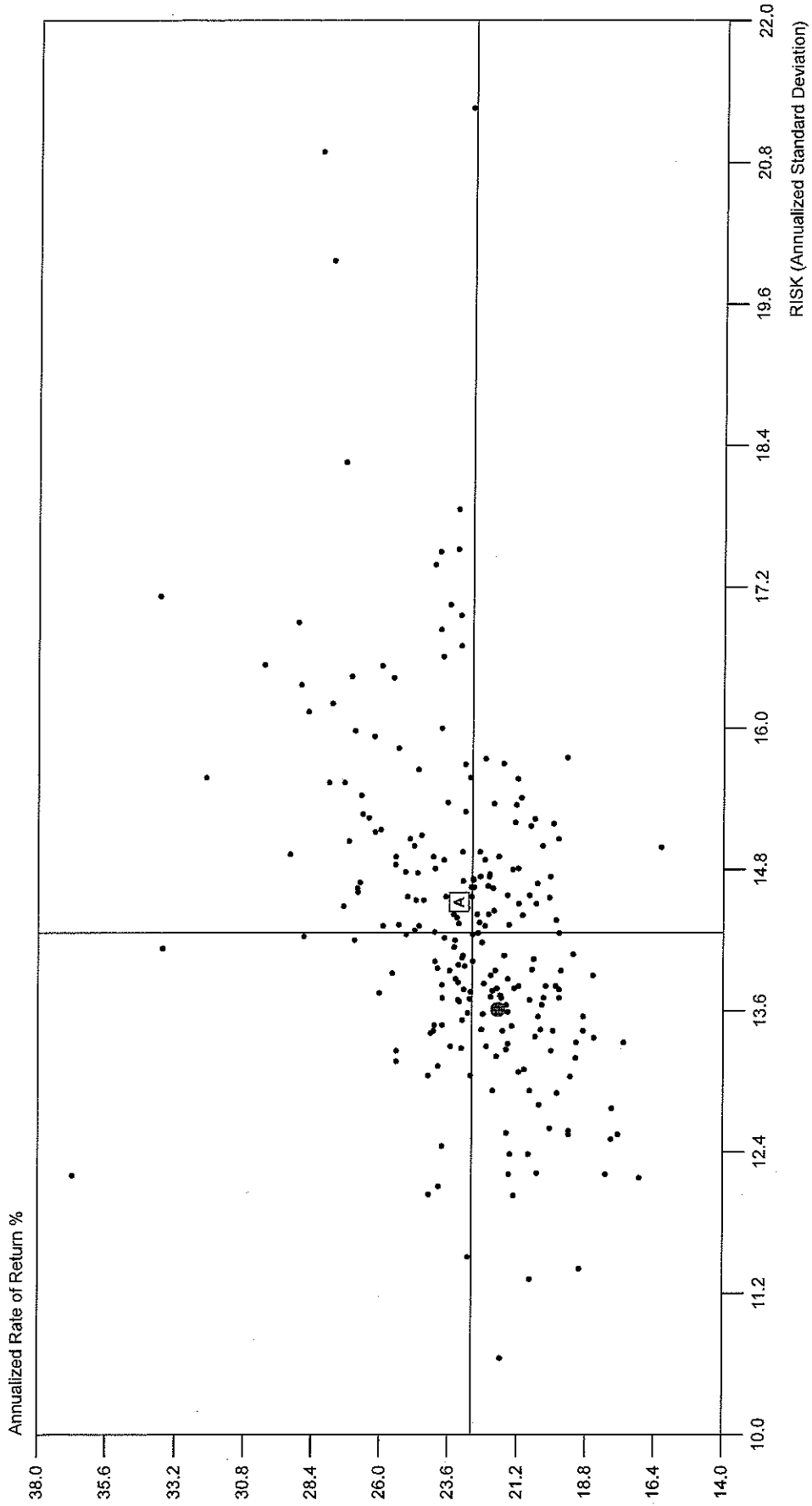


Mercer Intl Equity Universe

Risk-Return Comparisons

5 Years Ending March 31, 2008

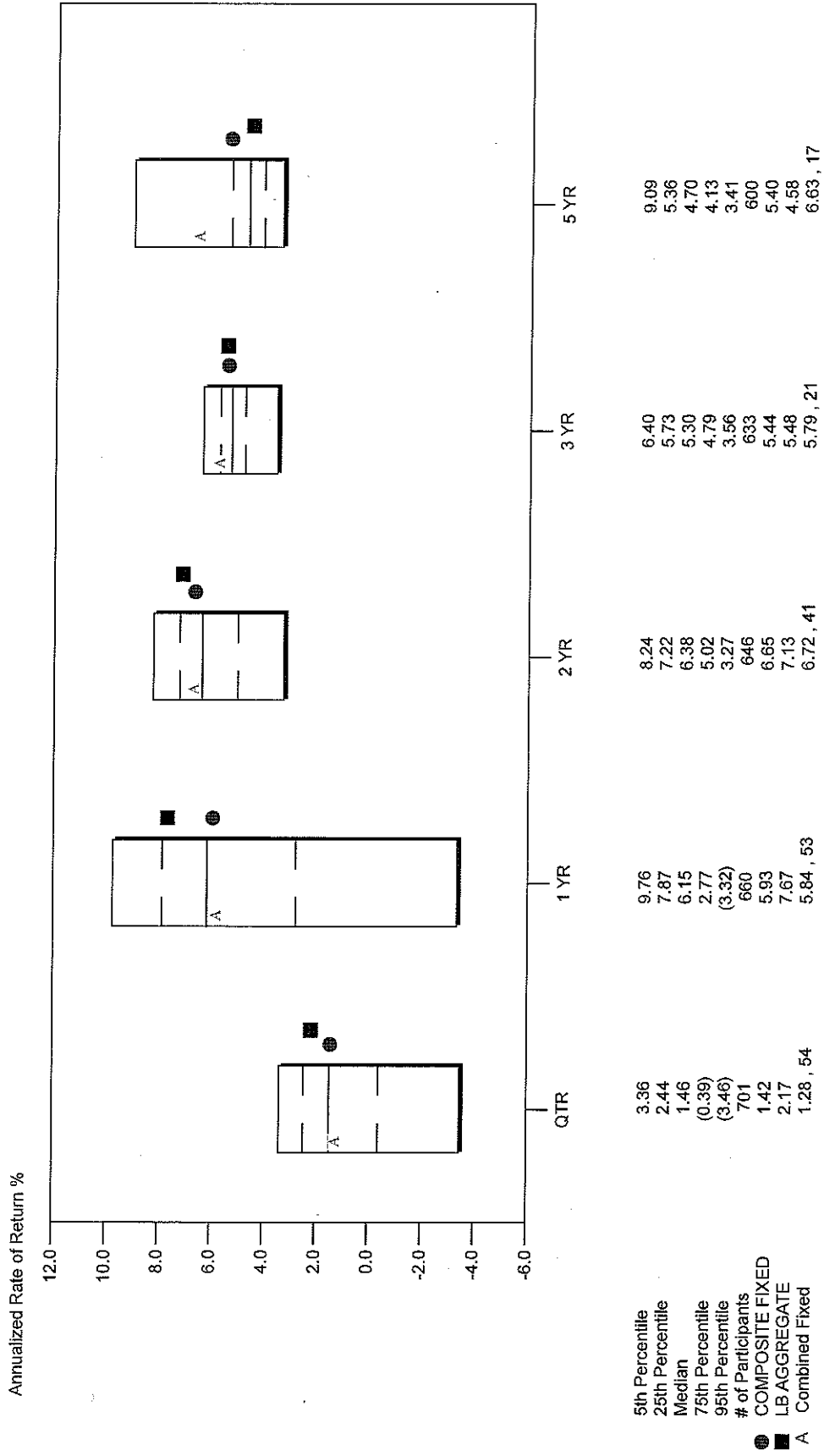
233 Portfolios



Mercer US Fixed Combined Universe

Return Quartiles

Periods Ending March 31, 2008

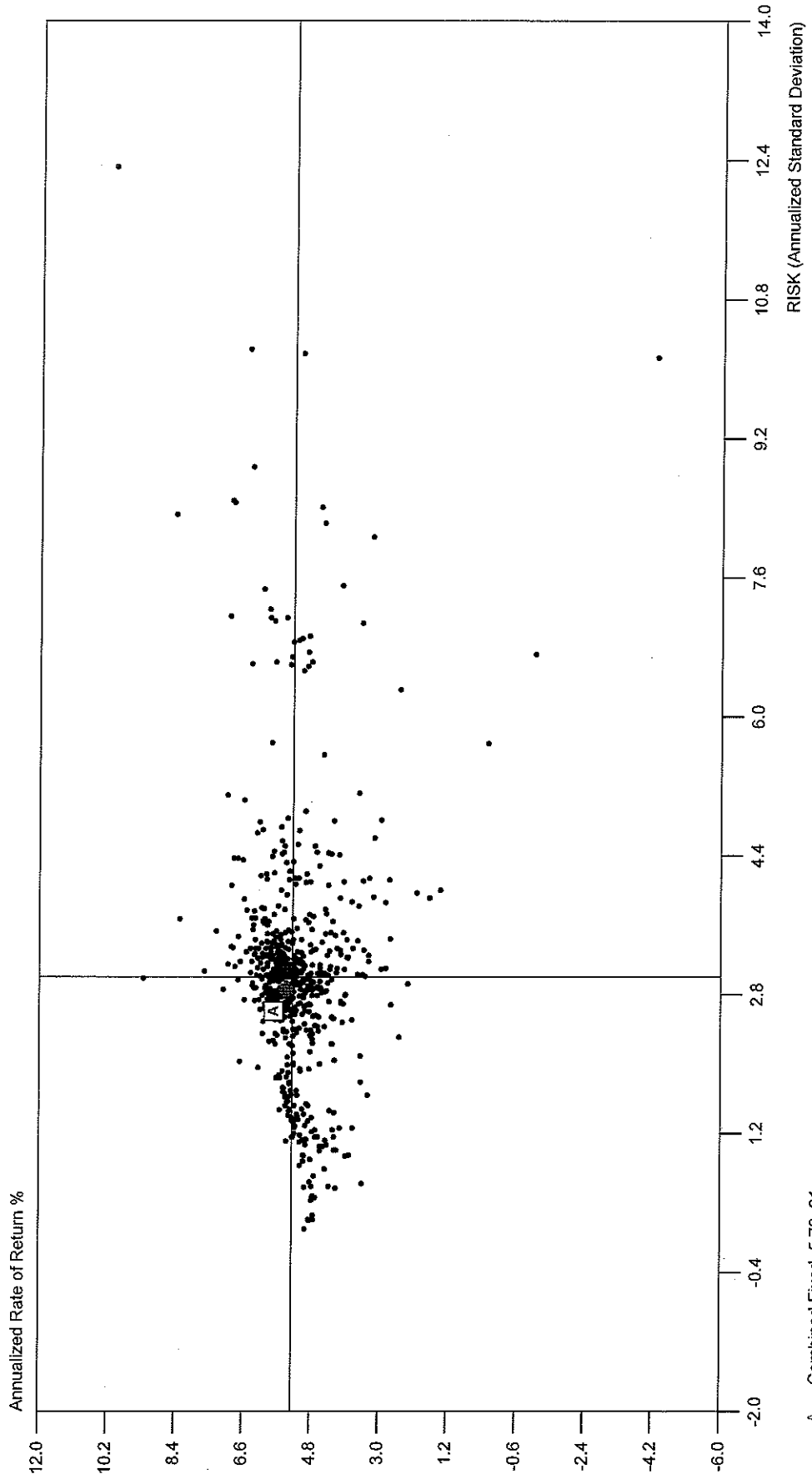


Mercer US Fixed Combined Universe

Risk-Return Comparisons

3 Years Ending March 31, 2008

633 Portfolios



A Combined Fixed 5.79, 21
COMPOSITE FIXED
LB AGGREGATE

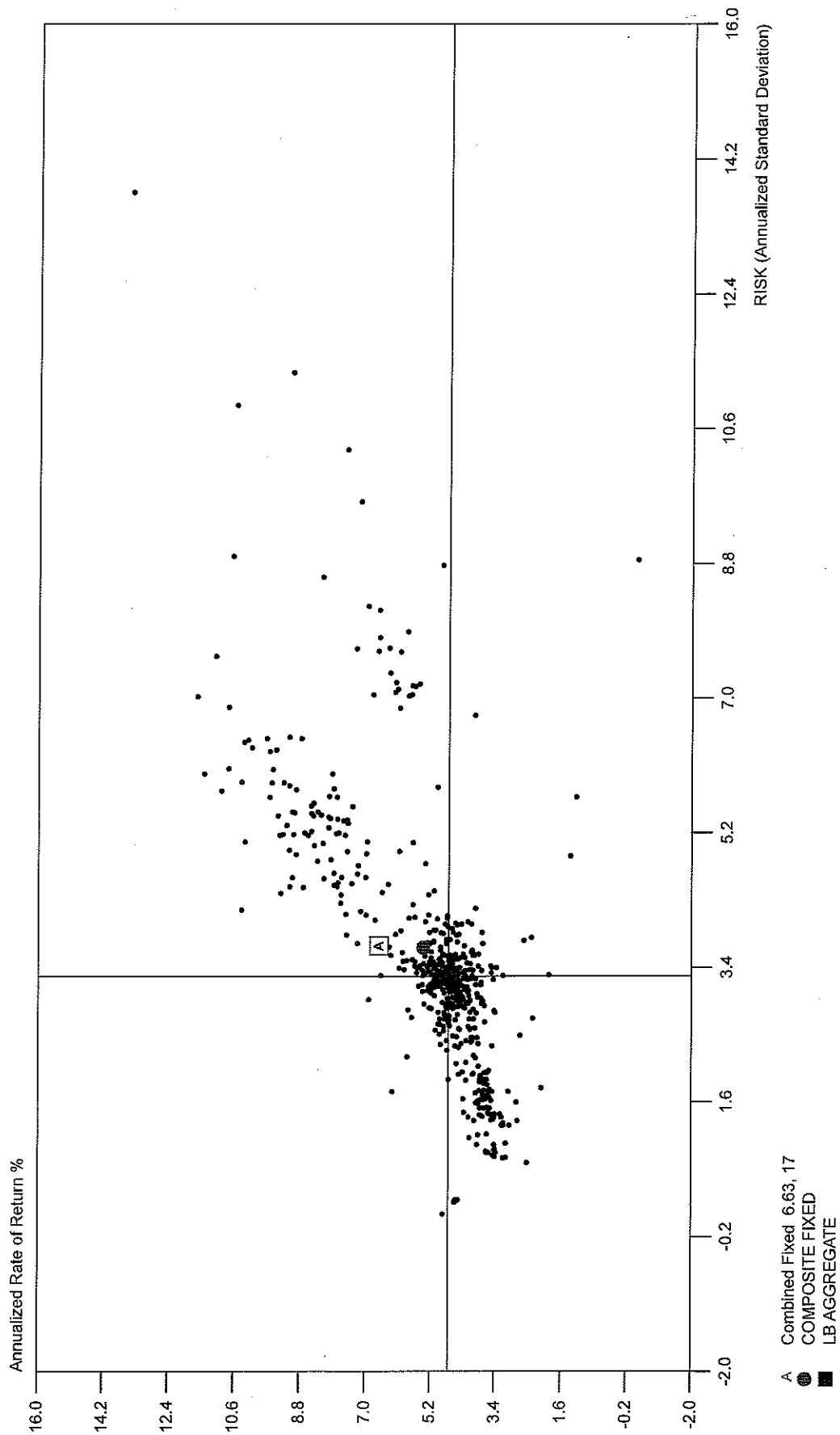
Mercer

Mercer US Fixed Combined Universe

Risk-Return Comparisons

5 Years Ending March 31, 2008

600 Portfolios

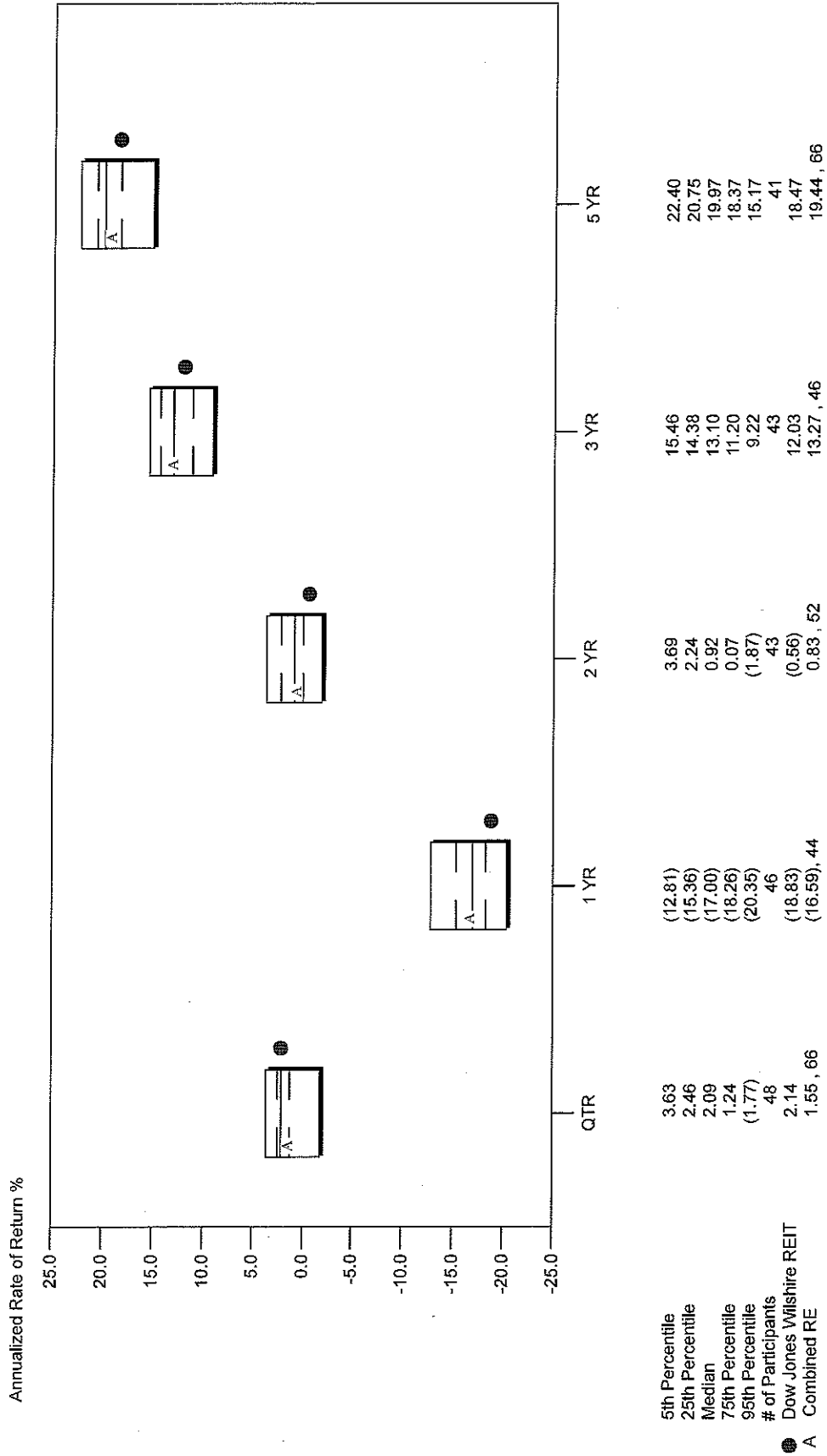


Mercer

Mercer US Real Estate Public REITS Universe

Return Quartiles

Periods Ending March 31, 2008

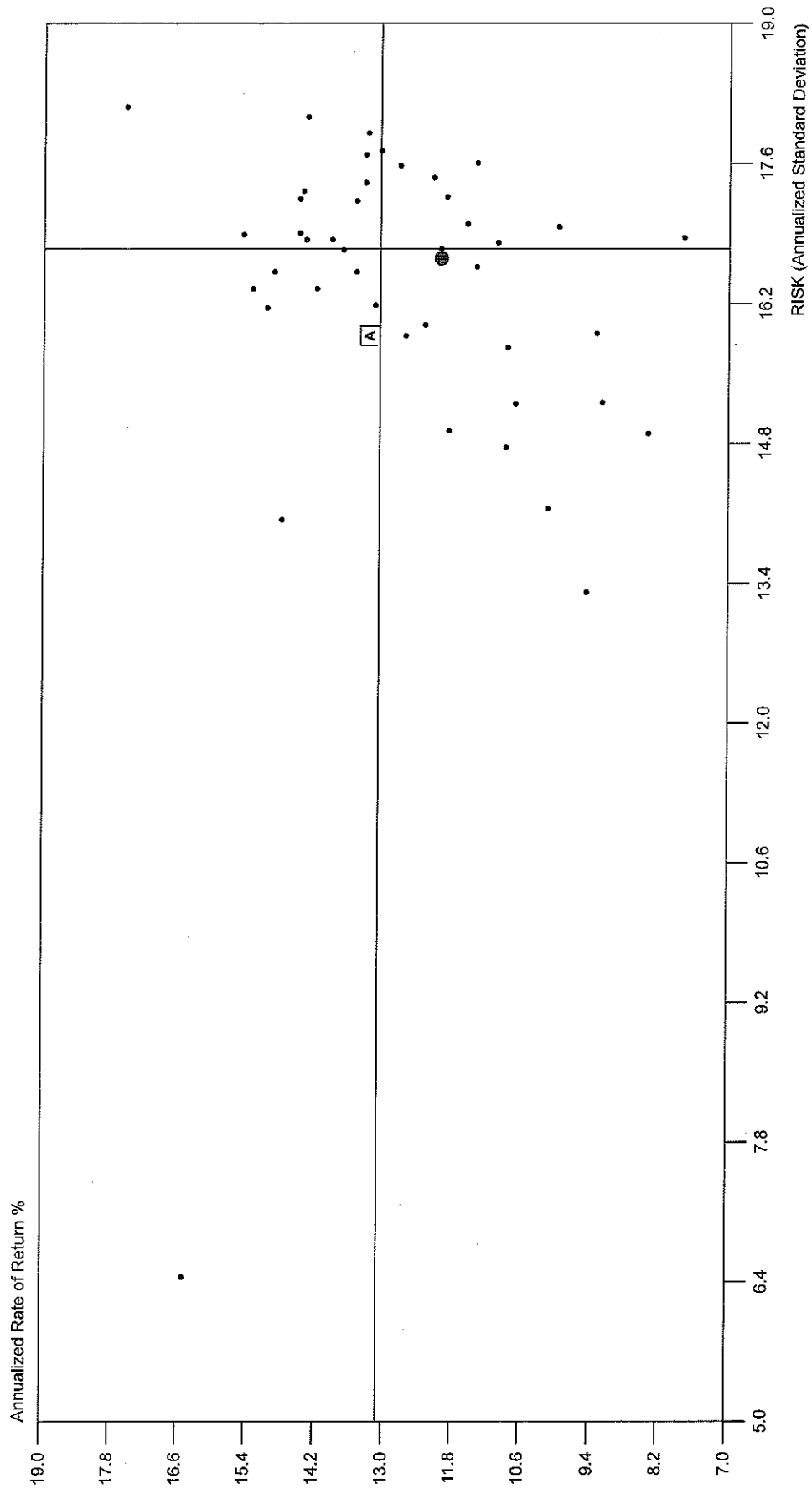


Mercer US Real Estate Public REITS Universe

Risk-Return Comparisons

3 Years Ending March 31, 2008

43 Portfolios

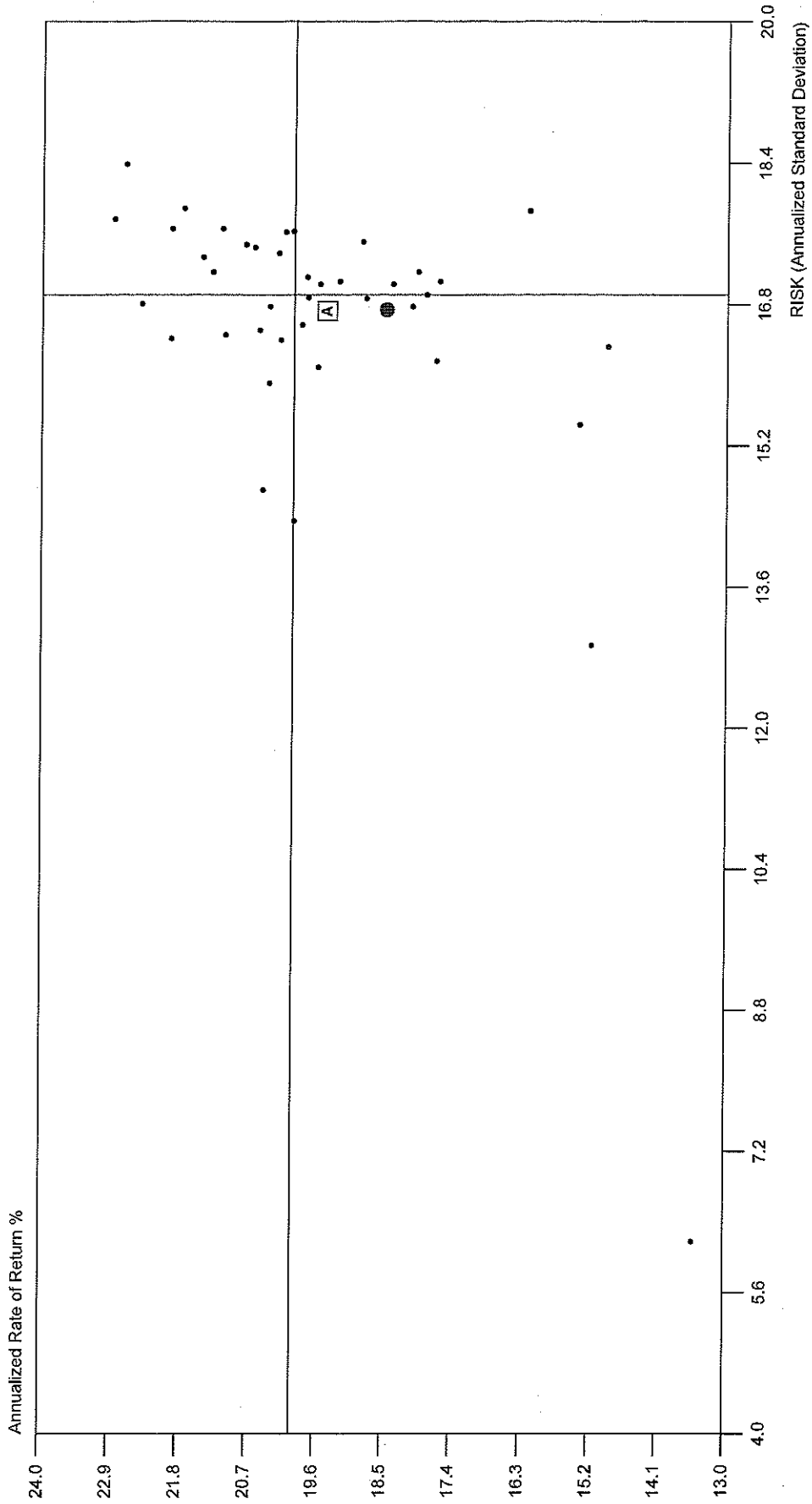


Mercer US Real Estate Public REITS Universe

Risk-Return Comparisons

5 Years Ending March 31, 2008

41 Portfolios



A Combined RE 19.44, 66
 ● Dow Jones Wilshire REIT Index

Mercer

ATTRIBUTION SUMMARY

Period Ending March 31, 2008

County of Milwaukee

Total Fund

	<u>QTR</u>	<u>6 MO</u>	<u>Annualized</u>	
			<u>1 YR</u>	<u>2 YR</u>
Portfolio Return	(4.5)	(5.5)	(0.8)	5.0
Policy Return	(4.4)	(5.4)	(1.1)	5.0
Net Management Effect	(0.1)	(0.2)	0.2	0.0
Allocation	0.3	0.2	0.0	0.2
Selection	(0.4)	(0.4)	0.2	(0.2)

Currency USD
 Policy Benchmark is 20% S&P 500-S&P Calculated, 14% Wilshire 4500, 16% MSCI EAFE,
 4% MSCI WLD X US SCP, 35% LB Aggregate, 7% ML High Yield Master, 1% SSB 3M T-Bill, 3% Wilshire REIT

Mercer

ATTRIBUTION DETAIL

County of Milwaukee
Total Fund
3 Months Ending March 31, 2008

	<u>Portfolio</u>		<u>Policy</u>		<u>Net Management Effect</u>	
	<u>Weight Return</u>	<u>Weight</u>	<u>Return</u>	<u>Alloc</u>	<u>Select</u>	<u>Total</u>
TOTAL	100.0	(4.5)	100.0	(4.4)	0.3	(0.4)
US Equity	36.5	(10.0)	34.0	(9.7)	(0.1)	(0.2)
Non-US Equity	12.6	(10.7)	20.0	(8.4)	0.2	(0.3)
Fixed Income	43.7	1.3	42.0	1.3	0.0	0.0
Real Estate	3.4	1.6	3.0	2.1	0.0	0.0
Venture Capital	2.1	2.0	--	--	0.1	0.0
Cash	1.7	0.8	1.0	0.7	0.0	0.0

Currency USD
 Policy Benchmark is 20% S&P 500-S&P Calculated, 14% Wilshire 4500, 16% MSCI EAFE,
 4% MSCI WLD X US SCP, 35% LB Aggregate, 7% ML High Yield Master, 1% SSB 3M T-Bill, 3% Wilshire REIT

Mercer

ATTRIBUTION DETAIL

6 Months Ending March 31, 2008

Total Fund

County of Milwaukee

	<u>Portfolio</u>		<u>Policy</u>		<u>Net Management Effect</u>		
	<u>Weight</u>	<u>Return</u>	<u>Weight</u>	<u>Return</u>	<u>Alloc</u>	<u>Select</u>	<u>Total</u>
TOTAL	100.0	(5.5)	100.0	(5.4)	0.2	(0.4)	(0.2)
US Equity	35.9	(12.5)	34.0	(12.6)	(0.2)	0.0	(0.2)
Non-US Equity	14.7	(14.1)	20.0	(10.6)	0.4	(0.5)	(0.1)
Fixed Income	42.1	3.7	42.0	3.6	0.0	0.0	0.0
Real Estate	3.8	(10.6)	3.0	(11.7)	(0.1)	0.0	(0.1)
Venture Capital	2.0	1.8	---	---	0.1	0.0	0.1
Cash	1.5	1.9	1.0	1.7	0.0	0.0	0.0

Currency USD
 Policy Benchmark is 20% S&P 500-S&P Calculated, 14% Wilshire 4500, 16% MSCI EAFE,
 4% MSCIWLD X US SCP, 35% LB Aggregate, 7% ML High Yield Master, 1% SSB 3M T-Bill, 3% Wilshire REIT

Marcus

ATTRIBUTION DETAIL

County of Milwaukee
Annualized 1 Year Ending March 31, 2008

Total Fund

	<u>Portfolio</u>		<u>Policy</u>		<u>Net Management Effect</u>	
	<u>Weight Return</u>	<u>Weight</u>	<u>Return</u>	<u>Alloc</u>	<u>Select</u>	<u>Total</u>
TOTAL	100.0	(0.8)	100.0	(1.1)	0.0	0.2
US Equity	34.3	(6.4)	34.0	(6.5)	(0.3)	0.1
Non-US Equity	18.0	(5.6)	20.0	(4.1)	0.4	0.0
Fixed Income	40.1	5.8	42.0	5.8	0.0	0.0
Real Estate	4.2	(16.6)	3.0	(18.9)	(0.4)	0.1
Venture Capital	1.9	11.4	--	--	0.2	0.0
Cash	1.4	4.6	1.0	4.2	0.0	0.0

Currency USD
 Policy Benchmark is 20% S&P 500-S&P Calculated, 14% Wilshire 4500, 16% MSCI EAFE,
 4% MSCI WLD X US SCP, 35% LB Aggregate, 7% ML High Yield Master, 1% SSB 3M T-Bill, 3% Wilshire REIT

Mercer

ATTRIBUTION DETAIL

Annualized 2 Years Ending March 31, 2008

County of Milwaukee

Total Fund

	<u>Portfolio</u>		<u>Policy</u>		<u>Net Management Effect</u>		
	<u>Weight Return</u>	<u>Weight Return</u>	<u>Alloc</u>	<u>Select</u>	<u>Total</u>	<u>Total</u>	
TOTAL	100.0	5.0	100.0	5.0	0.2	(0.2)	0.0
US Equity	35.7	1.2	34.0	2.0	(0.2)	(0.3)	(0.5)
Non-US Equity	18.8	5.4	20.0	6.9	0.2	(0.1)	0.1
Fixed Income	38.5	6.7	42.0	6.6	0.1	0.1	0.1
Real Estate	4.5	0.8	3.0	(0.6)	(0.1)	0.1	(0.1)
Venture Capital	1.2	--	--	--	0.2	0.0	0.2
Cash	1.3	15.0	1.0	4.6	0.0	0.1	0.1

Currency USD
 Policy Benchmark is 20% S&P 500-S&P Calculated, 14% Wilshire 4500, 16% MSCI EAFE,
 4% MSCI WLD X US SCP, 35% LB Aggregate, 7% ML High Yield Master, 1% SSB 3M T-Bill, 3% Wilshire REIT

Mercer

Appendix

Performance calculations have been made based on unaudited data provided by Mellon Trust. Returns for all Venture Capital holdings were provided by Adams Street Partners and Progress Investment. Adams Street Partners and Progress Investment provided market values for their respective accounts.

Returns for GMO are calculated net of fees.

Total Fund Composite Market Index:

- Prior to June 30, 1996: 35% S&P 500, 10% Russell 2000, 40% Lehman Brothers Government/Corporate, 10% Merrill Lynch High Yield, and 5% Mercer Real Estate Peer Group median.
- From July 1, 1996 through December 31, 1997: 27% S&P 500, 13% Russell 2000, 10% EAFE, 27% Lehman Brothers Government/Corporate, 9% Lehman Brothers Long Government/Corporate, 10% Merrill Lynch High Yield, 3% Mercer Real Estate Peer Group median, and 1% SB 90-Day Treasury Bills.
- From January 1, 1998 through June 30, 1999: 23% S&P 500, 16% Russell 2000, 10% EAFE, 3% MSCI Emerging Markets Free, 2% DFA International Small Stock Series Index, 23% Lehman Brothers Government/Corporate, 9% Lehman Brothers Long Government/Corporate, 10% Merrill Lynch High Yield, 3% Mercer Real Estate Peer Group median, and 1% SB 90-Day Treasury Bills.
- From July 1, 1999 through June 30, 2000: 23% S&P 500, 16% Russell 2000, 10% EAFE, 3% MSCI Emerging Markets Free, 2% MSCI Small Cap World (Ex-US), 32% Lehman Brothers Aggregate, 10% Merrill Lynch High Yield, 3% Mercer Real Estate Peer Group median, and 1% SB 90-Day Treasury Bills.
- From July 1, 2000 through October 31, 2005: the benchmark Index consists of: 23% S&P 500 Index, 16% Wilshire 4500 Index, 10% EAFE Index, 3% MSCI Emerging Markets Free Index, 2% MSCI World Ex US Small Cap Index, 32% Lehman Brothers Aggregate Bond Index, 10% Merrill Lynch High-Yield Master Index, 1% 90-Day Treasury Bills, and 3% Wilshire REIT Index.
- From November 1, 2005 through Present: the benchmark Index consists of: 20% S&P 500 Index, 14% Wilshire 4500 Index, 16% EAFE Index, 4% MSCI World Ex US Small Cap Index, 35% Lehman Brothers Aggregate Bond Index, 7% Merrill Lynch High-Yield Master Index, 1% 90-Day Treasury Bills, and 3% Wilshire REIT Index.

Composite Equity Index:

- Includes 75% S&P 500 and 25% Russell 2000.

Composite Fixed Income Index:

- Includes 80% Lehman Brothers Government/Credit and 20% Merrill Lynch High Yield.
- Prior to 1985, the Lehman Brothers BAA Index was used as a proxy for the Merrill Lynch High Yield Index.

Fixed Income Reference Index:

- Utilized for Loomis Investment Grade portfolios.
- Prior to May 31, 1999: 50% Lehman Brothers Government/Corporate and 50% Lehman Brothers Long Government/Corporate.
- From June 1, 1999 through Present: Lehman Brothers Aggregate.

Russell/Mellon Trust Universes are created using custodial data and based on the assignment of the investment managers rather than on the types of assets held within a portfolio. Returns are gross of investment management fees (fees are treated as cash withdrawals) and provided on a monthly basis. Monthly returns will be linked to generate quarterly universes. Historical data is included back to January of 1987 where available.

The Billion Dollar Public Fund Universe consists of public defined benefit plans with at least \$1 billion in assets.

Policy Benchmarks

MANAGER	INCEPTION	UNIVERSE BENCHMARK	INDEX / INFLATION BENCHMARKS
Large Cap Eq			
Boston Partners < 1 market cycle (1-3 yrs) 1 market cycle (4-6 yrs) > 1 market cycle (7+ yrs)	8/1/95	Rank in upper 50% of Mercer LCV P.G. Rank in upper 45% of Mercer Equity Univ. N/A	Exceed (after fees) RU1000 Value + 1% Exceed (after fees) S&P 500 + 1% Exceed (after fees) CPI + 6.5%
Mellon Russell 1000 Growth Any calendar year Any 2 year calendar period Any 3 year calendar period Any 5 year calendar period	5/31/01	N/A N/A N/A N/A	> -0.50% vs. RU1000 Growth > -0.35% vs. RU1000 Growth > -0.30% vs. RU1000 Growth > -0.20% vs. RU1000 Growth
Mellon S&P 500 Any calendar year Any 2 year calendar period Any 3 year calendar period Any 5 year calendar period	4/13/95	N/A N/A N/A N/A	> -0.50% vs. S&P 500 > -0.35% vs. S&P 500 > -0.30% vs. S&P 500 > -0.20% vs. S&P 500

Policy Benchmarks

MANAGER	INCEPTION	UNIVERSE BENCHMARK	INDEX / INFLATION BENCHMARKS
Mid & Small Cap Eq			
Artisan	6/12/00	Rank in upper 50% of Mercer MCG P.G. Rank in upper 40% of Mercer MCG P.G. N/A	N/A Exceed (after fees) RU Mid Cap Growth + 1% Exceed (after fees) CPI + 5.7%
Earnest Partners	3/1/05	Rank in upper 50% of Mercer MC P.G. Rank in upper 40% of Mercer MC P.G. N/A	Exceed (after fees) Russell MidCap + 1% Exceed (after fees) Russell MidCap + 1% Exceed (after fees) CPI + 5.7%
Reinhart Partners	3/1/05	Rank in upper 50% of Mercer MC P.G. Rank in upper 40% of Mercer MC P.G. N/A	Exceed (after fees) S&P 400 Exceed (after fees) S&P 400 Exceed (after fees) CPI + 5.7%
Westfield	2/6/01	Rank in upper 50% of Mercer SCG P.G. Rank in upper 40% of Mercer SCG P.G. N/A	Exceed (after fees) RU2000 Growth Exceed (after fees) RU2000 Growth Exceed (after fees) CPI + 5.9%
AQR	11/30/06	Rank in upper 50% of Mercer SCV P.G. Rank in upper 40% of Mercer SCV P.G. N/A	Exceed (after fees) RU2000 Value Exceed (after fees) RU2000 + 2.0% Exceed (after fees) CPI + 5.9%

Policy Benchmarks

MANAGER	INCEPTION	UNIVERSE BENCHMARK	INDEX / INFLATION BENCHMARKS
Int'l Eq			
Baring and GMO < 1 market cycle (1-3 yrs) 1 market cycle (4-6 yrs) > 1 market cycle (7+ yrs)	10/30/07; 4/13/95	Rank in upper 50% of Mercer IE Univ. Rank in upper 40% of Mercer IE Univ. N/A	N/A Exceed (after fees) EAFFE + 1% Exceed (after fees) CPI + 6.7%
Int'l Small Cap Eq			
Cap. Guardian < 1 market cycle (1-3 yrs) 1 market cycle (4-6 yrs) > 1 market cycle (7+ yrs)	10/31/97	Rank in upper 50% of Mercer IESC P.G. Rank in upper 40% of Mercer IESC P.G. N/A	N/A Exceed (after fees) MSCI Wld ex-US SC + 1% Exceed (after fees) CPI + 6.9%
Core Fixed			
JP Morgan < 1 market cycle (1-3 yrs) 1 market cycle (4-6 yrs) > 1 market cycle (7+ yrs)	10/1/96; 10/31/95	Rank in upper 50% of Mercer CIG F.I. P.G. Rank in upper 40% of Mercer F.I. Univ. N/A	N/A Exceed (after fees) LB Aggregate + 0.5% Exceed (after fees) CPI + 2.6%
Loomis Any calendar year Any 2 year calendar period Any 3 year calendar period Any 5 year calendar period	6/30/91; 9/1/94 1/31/96	Rank in upper 50% of Mercer CIG F.I. P.G. Rank in upper 40% of Mercer F.I. Univ. N/A N/A N/A N/A N/A	N/A Exceed (after fees) LB Aggregate + 0.5% Exceed (after fees) CPI + 2.6% > -1.00% vs. LB Aggregate > -0.75% vs. LB Aggregate > -0.60% vs. LB Aggregate > -0.45% vs. LB Aggregate
High Yield Fixed			
Loomis, Sayles < 1 market cycle (1-3 yrs) 1 market cycle (4-6 yrs) > 1 market cycle (7+ yrs)	11/30/82	Rank in upper 50% of Mercer HY F.I. P.G. Rank in upper 40% of Mercer F.I. Univ. N/A	N/A Exceed (after fees) ML High Yield +1.5% Exceed (after fees) CPI + 5.0%

Policy Benchmarks

MANAGER	INCEPTION	UNIVERSE BENCHMARK	INDEX / INFLATION BENCHMARKS
Real Estate			
ING Clarion 1 market cycle (4-6 yrs)	1/13/97	Rank in upper 40% of Mercer REITS Univ.	Exceed (after fees) MSCI US REIT + 1.0%
Private Equity			
ASP and Progress 1 market cycle (12-15 yrs)	10/1/92; 7/1/95	N/A	16% annualized rate of return
Cash Eq			
Mellon Each 3 yr period		N/A	Exceed (after fees) Donoghue MM + 0.5%; Exceed (after fees) CPI + 1%

Fee Schedule

MANAGER	FEE SCHEDULE
<i>Large Cap Eq</i>	
Boston Partners	40 basis points on the first 15 million. 30 basis points on the next 25 million. 20 basis points on the next 25 million. 15 basis points on the next 35 million. 10 basis points thereafter.
Mellon Russell 1000 Growth	5 basis points on the first 50 million. 4 basis points on the next 50 million. 2 basis points thereafter.
Mellon S&P 500	5 basis points on the first 50 million. 4 basis points on the next 50 million. 2 basis points thereafter.
<i>Mid & Small Cap Eq</i>	
Artisan	80 basis points on the first 50 million. 60 basis points on the next 50 million. 50 basis points thereafter.
Earnest Partners	100 basis points on the first 10 million. 75 basis points on the next 15 million. 60 basis points on the next 25 million. 50 basis points thereafter.
Reinhart Partners	60 basis points on the first 25 million. 50 basis points on the next 25 million. 40 basis points thereafter.
Westfield	100 basis points on the first 25 million. 75 basis points on the next 50 million. 60 basis points thereafter.
AQR	100 basis points on the first 100 million. 80 basis points thereafter.

Fee Schedule

MANAGER	FEE SCHEDULE
<i>Int'l Eq</i> Baring	75 basis points on the balance.
GMO	61 basis points on the Intl Value balance. 109 basis points on the Emerging Mkts balance.
<i>Int'l Small Cap Eq</i> Cap. Guardian	90 basis points on the first 25 million. 75 basis points on the next 25 million. 62.5 basis points on the next 200 million. 52.5 basis points thereafter.

MANAGER	FEE SCHEDULE
<i>Core Fixed</i>	
JP Morgan	20 basis points on the first 100 million. 15 basis points thereafter.
Loomis, Sayles	20 basis points on the first 10 million. 10 basis points thereafter.
Mellon	5 basis points on the first 50 million. 4 basis points on the next 50 million. 2 basis points thereafter.
<i>High Yield Fixed</i>	
Loomis, Sayles	20 basis points on the first 10 million. 10 basis points thereafter.
<i>Real Estate</i>	
CRA	60 basis points on the first 10 million. 35 basis points thereafter. Performance fee equals the greater of zero, or 15% of the cumulative excess return through such date, minus the sum of all performance fees previously paid or outstanding.

Performance Reconciliation
For the Quarter Ended March 31, 2008
(Percent Return)

MANAGER	Mercer Calculated Return	Manager Calculated Return
Large Cap Eq		
Boston Partners	-11.9	-11.9
Mellon Russell 1000 Growth	-10.2	-10.2
Mellon S&P 500	-9.4	-9.4
Mid & Small Cap Eq		
Artisan	-12.7	-12.7
Earnest Partners	-6.7	-6.7
Reinhart Partners	-8.9	-8.9
Westfield	-11.9	-11.9
AQR	-5.4	-5.4
Int'l Eq		
Baring	-9.5	-9.5
Grantham, Mayo (Net)	-8.3	-8.3
Int'l Small Cap Eq		
Cap. Guardian	-15.8	-15.8
Core Fixed		
JPMorgan *	2.0	1.7
Mellon	2.3	2.3
Loomis, Sayles	-0.3	-0.3
High Yield Fixed		
Loomis, Sayles	-1.9	-1.9
Real Estate		
ING Clarion	1.6	1.6

* Discrepancy due to difference in market values and should reverse in subsequent quarters.

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Returns for periods greater than one year are annualized. Returns are calculated gross of investment management fees, unless noted.

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Percentile rankings for managers, funds or indices in performance floating bar exhibits may not match Universe percentiles due to rounding. Only performance composites submitted by investment managers by Mercer's deadline for a particular quarter are included in that quarter's Manager Universe calculation. Composites submitted after the deadlines are included in the Manager Universe at Mercer's discretion. Because Mercer Manager Universes are based upon information voluntarily provided by investment managers, to the extent higher or lower performing investment managers do not submit information to Mercer, the percentile rankings may not reflect as accurately an indication of an investment manager's performance relative to all of its peers than otherwise would be the case.

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