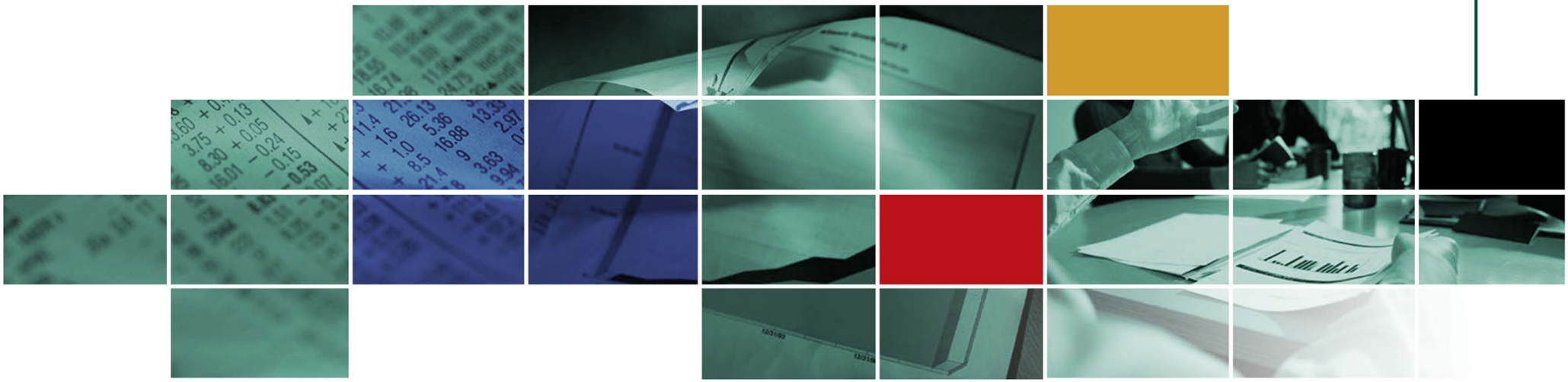
RVKuhns & ASSOCIATES, INC.

Public Employees Retirement Association of New Mexico

Executive Summary
Performance Report

Quarter Ended March 31, 2011



Capital Markets Update

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Performance Update as of March 2011

Index	2nd Qtr 2010 Return	3rd Qtr 2010 Return	4th Qtr 2010 Return	As of March 31, 2011					
				QTD Return	YTD Return	1-Year Annualized Return	3-Year Annualized Return	5-Year Annualized Return	10-Year Annualized Return
Russell 1000 Index	-11.44%	11.55%	11.19%	6.24%	6.24%	16.70%	2.98%	2.93%	3.83%
Russell 2000 Index	-9.92%	11.29%	16.26%	7.94%	7.94%	25.80%	8.57%	3.35%	7.87%
Russell 3000 Index	-11.32%	11.53%	11.59%	6.38%	6.38%	17.41%	3.42%	2.95%	4.13%
MSCI EAFE Index (Gross)	-13.75%	16.53%	6.65%	3.45%	3.45%	10.90%	-2.53%	1.78%	5.83%
MSCI EAFE Index (Local) (Net)	-10.92%	7.15%	5.66%	1.07%	1.07%	1.93%	-2.00%	-2.09%	1.52%
MSCI EAFE Small Cap Index (Gross)	-11.19%	17.56%	11.84%	3.02%	3.02%	20.29%	1.75%	1.70%	10.96%
MSCI Emerging Markets Index (Gross)	-8.29%	18.16%	7.36%	2.10%	2.10%	18.78%	4.62%	11.01%	17.13%
MSCI AC World ex-US Index (Gross)	-12.26%	16.66%	7.25%	3.49%	3.49%	13.61%	-0.38%	4.05%	7.85%
BC US Aggregate Bond Index	3.49%	2.48%	-1.30%	0.42%	0.42%	5.12%	5.30%	6.03%	5.56%
ML 3 Mo US T-Bill	0.04%	0.04%	0.04%	0.05%	0.05%	0.16%	0.51%	2.23%	2.24%
NCREIF ODCE Index AWA (Gross)	4.32%	5.45%	4.99%	4.01%	4.01%	20.14%	-8.95%	-0.12%	5.37%
HFRI FOF: Conservative Index	-1.50%	2.25%	2.58%	1.38%	1.38%	4.74%	-1.23%	1.15%	3.59%
DJ-UBS Commodity Index	-4.81%	11.61%	15.80%	4.45%	4.45%	28.50%	-5.20%	2.57%	7.07%

1st Calendar Quarter Observations

- Equity and fixed income markets were subjected to a wide array of cross-currents during the quarter as negative international headlines intermingled with positive U.S. economic reports.
- Social and political unrest in several Middle Eastern and North African oil-producing countries raised energy concerns and provided a headwind to the global equity rally initiated during 2010.
- By mid-March, headlines were dominated by the largest recorded earthquake to strike Japan as well as by the tsunami and nuclear crisis that followed.
- European sovereign debt fears were refueled as Portugal's government collapsed and fears of contagion escalated.
- Despite this, domestic equities finished the quarter with strong returns as key economic fundamentals improved and corporate activity rose and most international equities posted gains.

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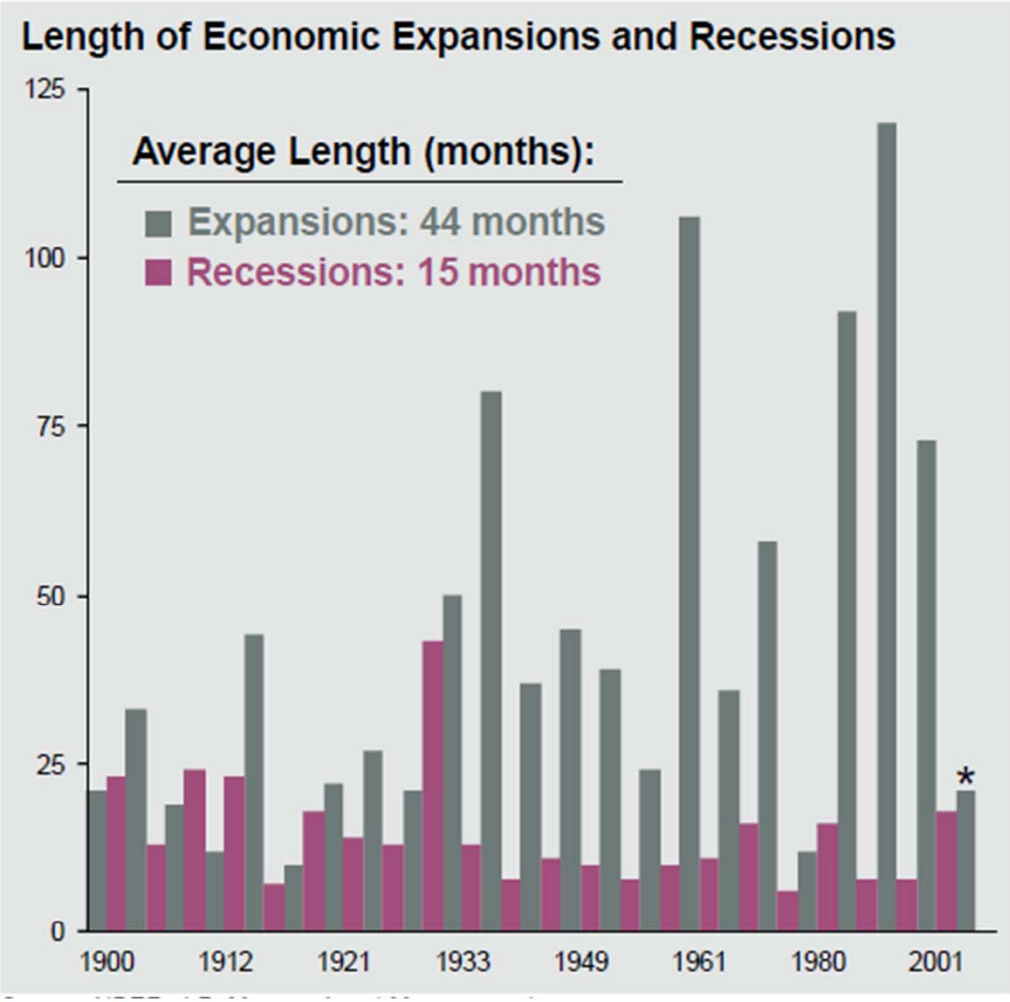
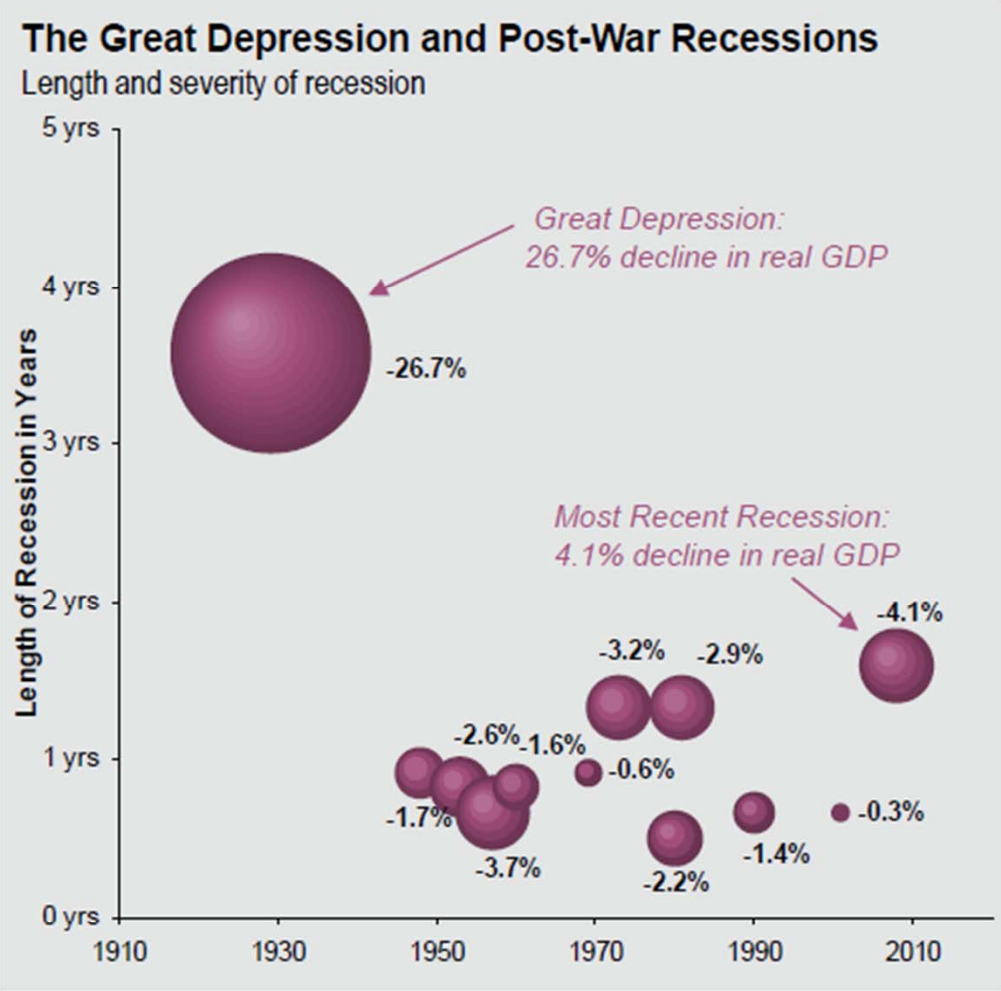
Current Market Themes – Expansions & Recessions





Source: NBER, J.P. Morgan Asset Management

*Chart assumes current expansion started in July 2009 and continued through March 2011.

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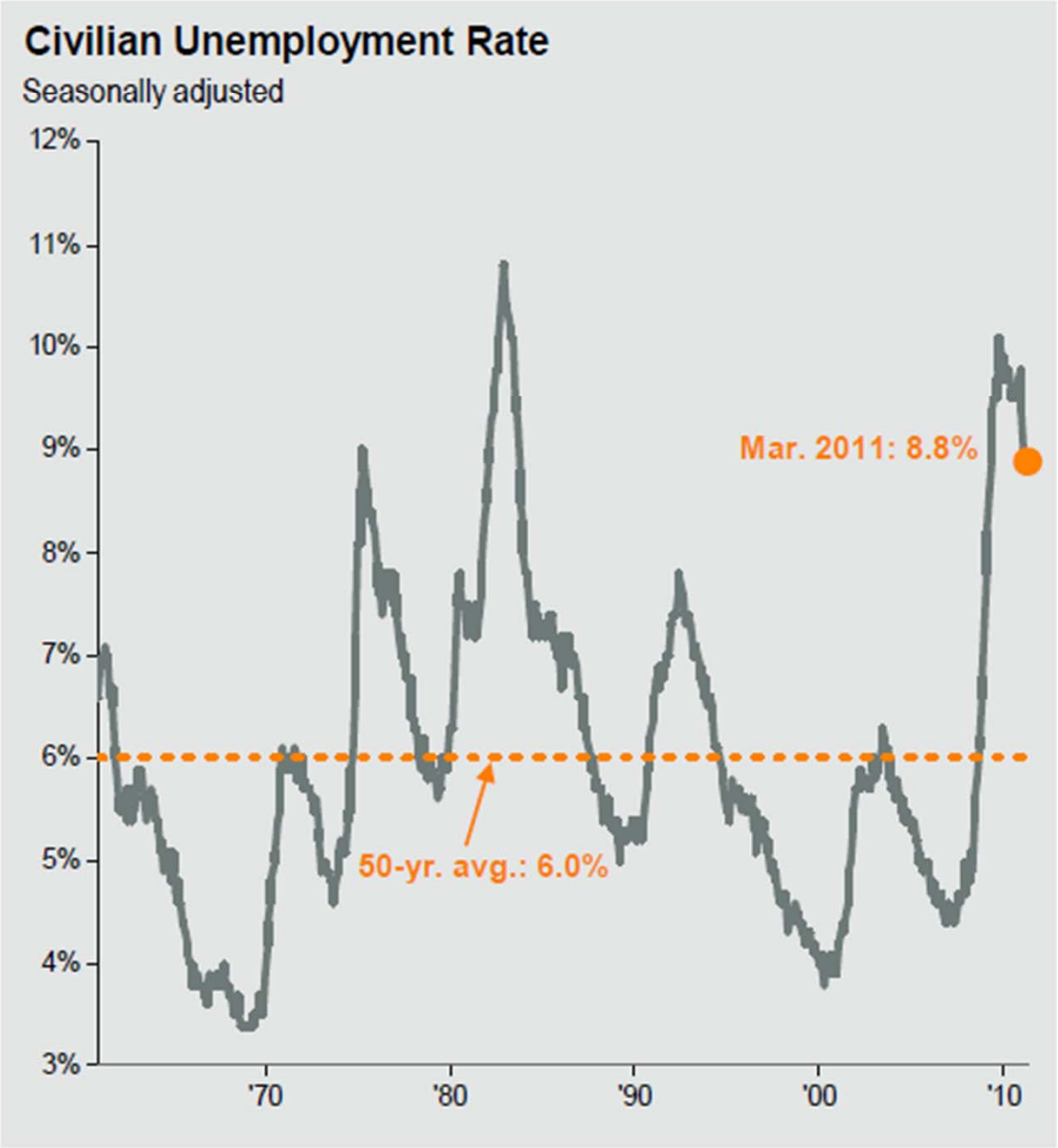
Current Market Themes – Unemployment



Source: BLS, J.P. Morgan Asset Management

- Unemployment remains well above its 50-year average.
- Unemployment fell to 8.8% in March as the 4-week average of jobless claims decreased to 389,500 – a level generally considered to be consistent with sustainable employment growth.
- Credit constraints on small businesses, which employ half the work force, have made it difficult to increase payrolls.

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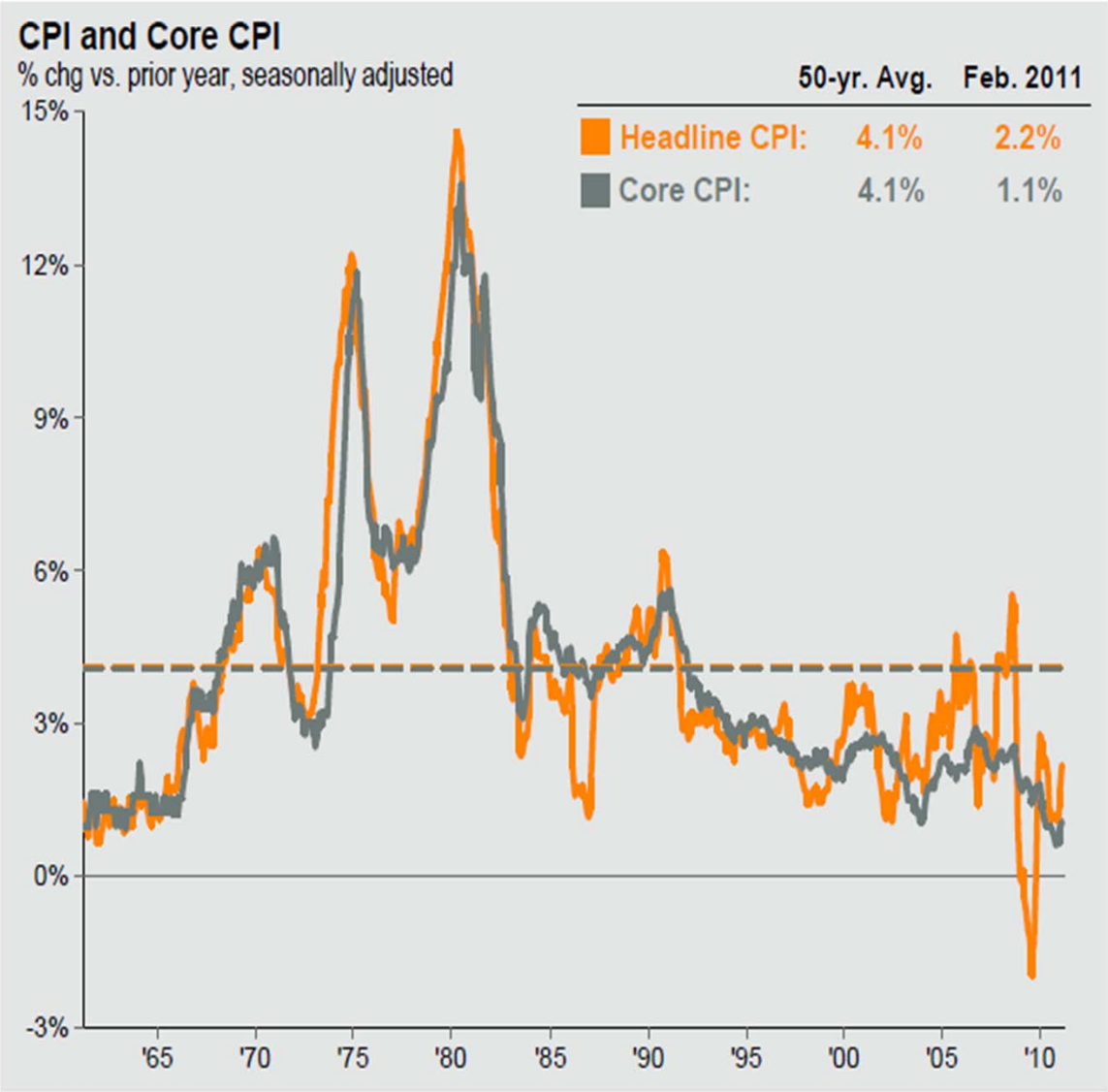
Current Market Themes – Inflation



Source: BLS, J.P. Morgan Asset Management

- Core inflation remained fairly muted despite rising food and energy prices pushing headline inflation higher.
- In September the FOMC announced that inflation is suboptimal with its mandate to promote employment and price stability.
- Recent monetary expansion and the Fed's infusion of cash into the system through QE2 has raised concerns over mid- to long-term inflation expectations. That said, inflation expectations are stable in the near term and are likely to remain subdued.

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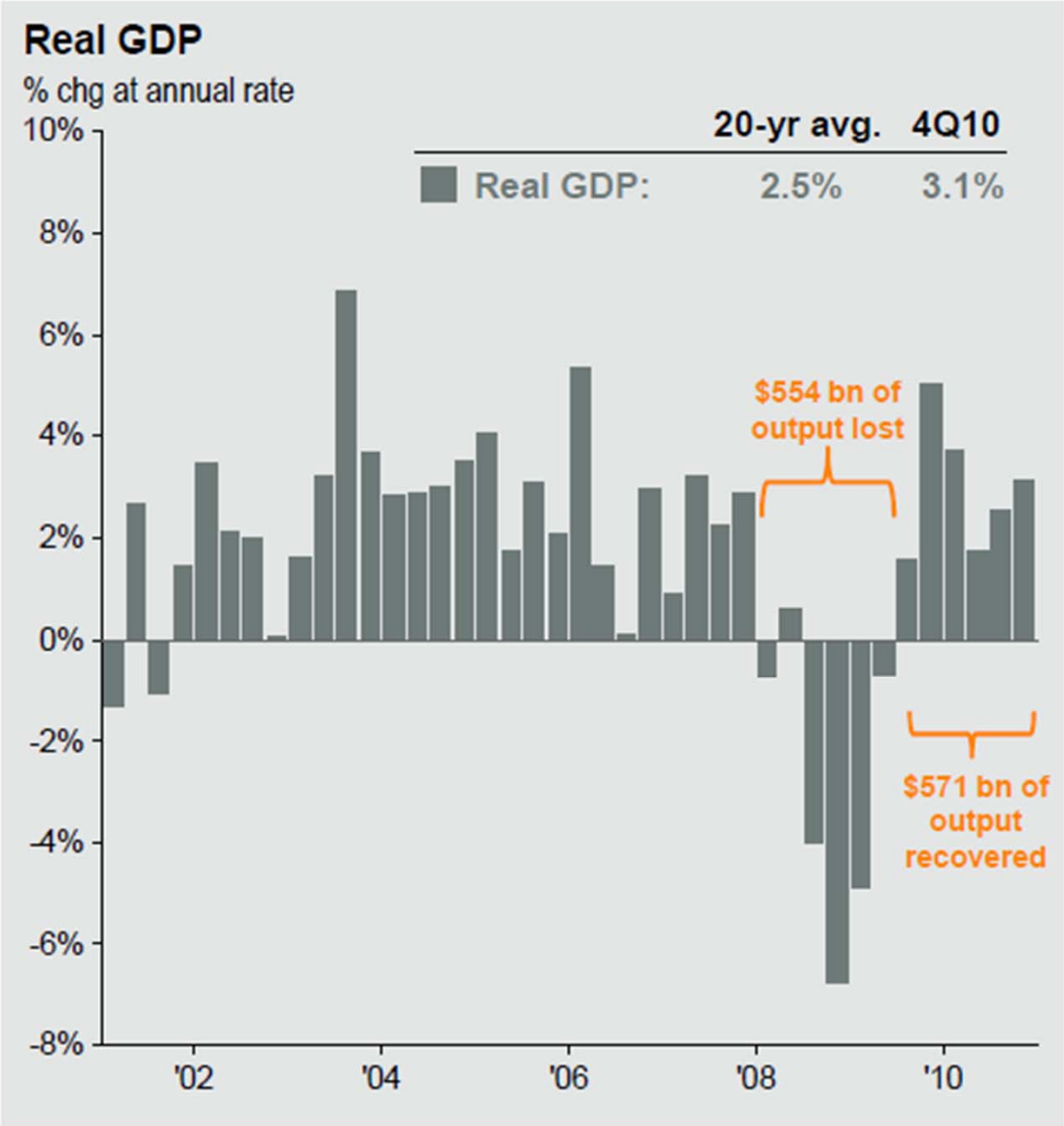
Current Market Themes – GDP



Source: BEA, J.P. Morgan Asset Management

- The initial estimate shows that real GDP increased at an annual rate of 2.3% in the first quarter of 2011. In the fourth quarter 2010, real GDP increased 3.1%.
- The deceleration in real GDP during the second half of the year reflected a decrease in federal government expenditures and gross investment.
- In June, the Fed estimated that 2011 U.S. GDP growth will be 3.5% to 4.2%.

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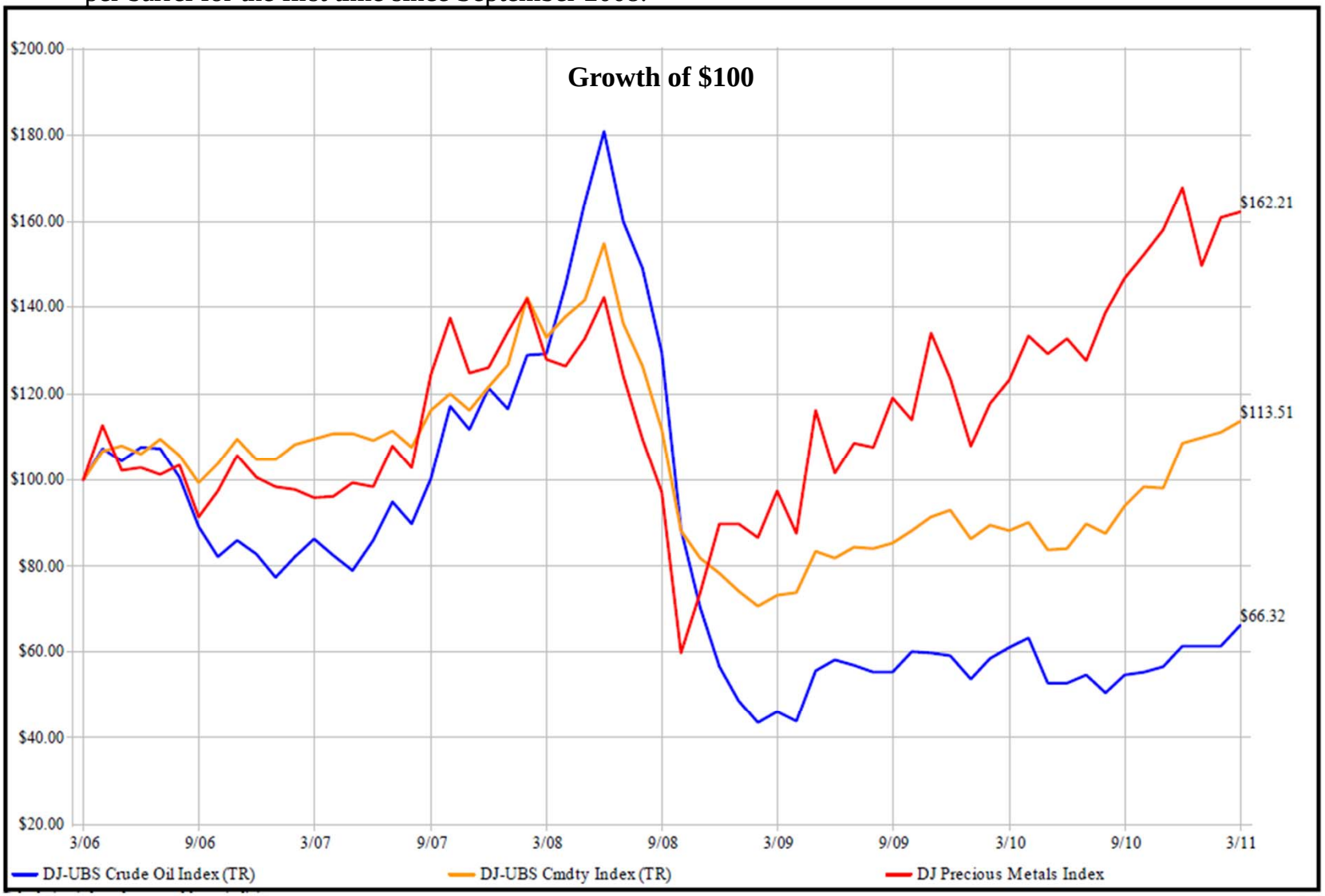
Current Market Themes – Oil/Commodities

- **Oil/Commodity Prices**
  - Precious metals continue to perform well as gold has elevated to record highs.
  - Crude oil has underperformed precious metals, though near-term crude futures have risen as spot prices closed above $100 per barrel for the first time since September 2008.



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Annual Asset Class Performance

- US equities led the way to start 2011 with US Small Cap, US REITs, and US Large Cap posting the strongest performance for the quarter. Meanwhile, bonds started off the year posting the lowest returns among asset classes.

Annual Asset Class Performance
As of March 31, 2011

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	YTD
Best	33.36%	28.58%	66.42%	31.84%	12.35%	25.91%	62.14%	33.16%	34.54%	35.97%	39.78%	8.44%	79.02%	28.60%	7.94%
	22.36%	20.34%	27.31%	31.04%	8.44%	16.56%	56.28%	31.27%	26.65%	32.59%	16.23%	5.24%	58.21%	26.86%	6.73%
	19.66%	16.42%	24.69%	16.16%	7.89%	14.81%	47.25%	25.95%	21.39%	26.86%	15.97%	2.06%	47.32%	22.40%	5.92%
	17.65%	11.77%	24.35%	14.28%	7.28%	10.25%	39.17%	20.70%	21.36%	19.67%	11.63%	-2.35%	32.46%	19.20%	4.45%
	15.11%	8.69%	21.26%	13.15%	6.61%	5.54%	36.18%	18.33%	14.02%	18.37%	11.63%	-10.01%	28.60%	16.84%	4.01%
	14.52%	5.23%	21.04%	12.40%	5.64%	3.58%	28.97%	13.06%	13.82%	16.32%	9.91%	-20.47%	27.18%	16.36%	3.88%
	12.76%	3.94%	20.19%	11.63%	5.28%	3.12%	28.68%	11.13%	6.75%	15.79%	6.97%	-26.16%	26.46%	15.12%	3.45%
	9.65%	3.75%	13.17%	6.18%	4.42%	1.78%	23.93%	10.88%	5.33%	11.85%	6.60%	-33.79%	18.91%	15.06%	3.02%
	5.33%	1.87%	4.85%	-3.02%	2.49%	-1.41%	11.93%	9.15%	4.91%	9.85%	5.49%	-35.65%	11.41%	10.16%	2.10%
	2.05%	-2.55%	2.40%	-5.86%	-2.37%	-6.00%	9.28%	8.56%	4.55%	4.85%	5.00%	-37.00%	9.72%	8.21%	2.08%
	-3.39%	-17.01%	2.39%	-7.22%	-11.89%	-7.44%	8.39%	8.46%	3.07%	4.33%	1.87%	-39.20%	5.93%	6.54%	0.70%
	-11.60%	-25.33%	-0.82%	-9.10%	-12.11%	-15.66%	5.87%	6.79%	2.84%	2.71%	1.79%	-43.06%	1.92%	6.31%	0.42%
	N/A	-27.03%	-2.58%	-13.96%	-19.51%	-20.48%	4.10%	4.34%	2.74%	2.07%	-1.57%	-46.78%	0.21%	4.77%	0.05%
Worst	N/A	N/A	-7.65%	-30.61%	-21.21%	-22.10%	1.15%	1.33%	2.43%	0.41%	-17.55%	-53.18%	-29.76%	0.13%	-0.02%

S&P 500 - US Large Cap	R 2000 - US Small Cap	MSCI EAFE (Gross) - Int'l Dev.	MSCI EAFE SC (Gross) - Int'l SC	MSCI EM (Gross) - Int'l Emg Mkts	BC US Agg Bond - FI	BC US Corp: Hi Yield - FI	BC US Trsy: US TIPS - FI	BC US Gov't/Credit: Lng - FI	NCREIF ODCE (Gross) - Real Estate	Wilshire US REIT - REITs	HFN FOF Multi-Strat (Net) - ARS	DJ-UBS Cmdty (TR) - Commodities	BofA ML 3 Mo T-Bill - Cash Equiv

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PERA Executive Summary

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Compare total fund performance in two ways:

- Relative to a **benchmark** to evaluate how the Plan is performing compared to its stated target (which changes over time).

- Relative to **peers** to evaluate how the Plan is performing compared to other funds of similar type and size, and to understand best practices among the peers.
  - PERA's Total Fund return is compared to the All Public Plans > $2 billion peer universe.
  - It is important to note that peer public plans might have different interim and long-term target allocations than PERA's targets, leading them to have different performance.

PERA Total Fund Performance vs. Benchmarks

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Interim Custom Index vs. Long-Term Target Index

- The ***Total Fund Interim Custom Index*** is a dynamic benchmark targeted to PERA's long-term allocation.
  - Since 1991, the Interim Index shows how the Fund would have performed if it was always invested at its interim target allocation (which changes over time) in each asset class' respective benchmark.
- The ***Long-Term Target*** (Strategic Asset Allocation) is PERA's asset allocation set forth in the investment policy statement.
  - Starting from the 1st quarter of 2007, the ***Long-Term Target Index*** shows how the Fund would have performed if it was always invested at its policy target allocation (which changes infrequently concurrent with Board's approval to amend their policy statement) in each asset class' respective benchmark.
- Both benchmarks can be utilized in total fund attribution to measure two components of relative performance.
  - **Active weight** – cost/benefit of not being at the target allocation.
  - **Manager value added** – did your managers out/underperform their asset class benchmark?

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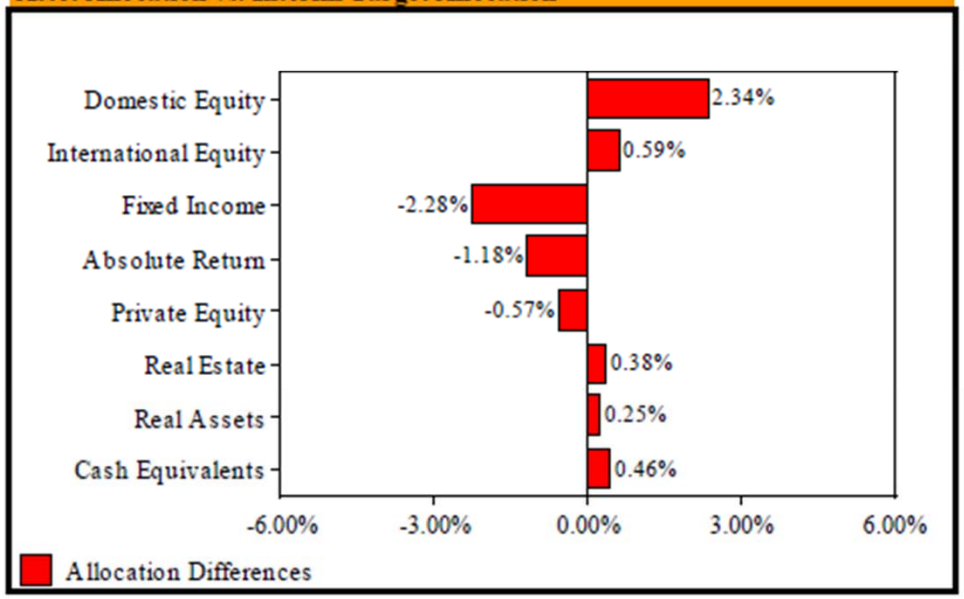
Asset Allocation vs. Target as of March 31, 2011

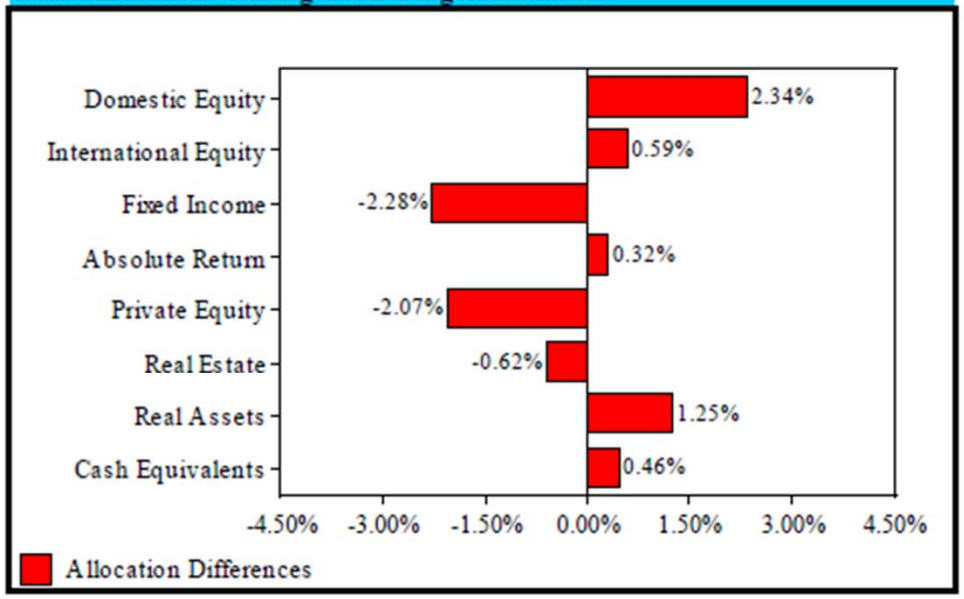
Asset Allocation vs. Interim Target Allocation



Asset Allocation vs. Interim Target Allocation

	Market Value ($)	Allocation (%)	Target (%)
Domestic Equity	3,556,847,382	29.34	27.00
International Equity	3,344,597,974	27.59	27.00
Fixed Income	2,875,369,419	23.72	26.00
Absolute Return	1,129,478,726	9.32	10.50
Private Equity	355,293,078	2.93	3.50
Real Estate	288,885,676	2.38	2.00
Real Assets	515,411,072	4.25	4.00
Cash Equivalents	55,482,331	0.46	-
Total Fund	12,121,365,659	100.00	100.00

Asset Allocation vs. Long-Term Target Allocation



Asset Allocation vs. Long-Term Target Allocation

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Fixed Income	2,875,369,419	23.72	26.00
Absolute Return	1,129,478,726	9.32	9.00
Private Equity	355,293,078	2.93	5.00
Real Estate	288,885,676	2.38	3.00
Real Assets	515,411,072	4.25	3.00
Cash Equivalents	55,482,331	0.46	-
Total Fund	12,121,365,659	100.00	100.00

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Total Fund Performance vs. Indexes

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years
NM PERA Total Fund	**4.05**	**21.52**	**4.05**	**13.74**	**1.73**	**2.80**	**5.14**	**5.63**	**7.75**
Total Fund Interim Custom Index	3.53	19.53	3.53	12.33	3.40	4.47	5.88	5.60	7.20
Difference	0.52	1.99	0.52	1.41	-1.67	-1.67	-0.74	0.03	0.55
NM PERA Total Fund	**4.05**	**21.52**	**4.05**	**13.74**	**1.73**	**2.80**	**5.14**	**5.63**	**7.75**
Long-Term Target Allocation	3.54	19.21	3.54	12.14	3.43	4.71	6.06	5.72	7.28
Difference	0.51	2.31	0.51	1.60	-1.70	-1.91	-0.92	-0.09	0.47
NM PERA Total Fund (Net)	**4.02**	**21.41**	**4.02**	**13.60**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Calendar Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
NM PERA Total Fund	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
Total Fund Interim Custom Index	11.99	22.76	-26.48	8.45	14.31	7.06	10.44	21.16	-8.27	-5.42
Difference	1.91	-1.20	-5.48	-1.20	0.65	1.40	1.23	-0.32	3.23	3.65
NM PERA Total Fund	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
Long-Term Target Allocation	11.88	21.43	-25.17	9.05	14.31	7.06	10.44	21.16	-8.27	-5.42
Difference	2.02	0.13	-6.79	-1.80	0.65	1.40	1.23	-0.32	3.23	3.65

Please see Appendix for custom index definitions.

- PERA outperformed the Total Fund Interim Custom Index by 49 basis points, **net of fees**, for the quarter, returning 4.02% vs. 3.53%. PERA outperformed the Long-Term Target Allocation benchmark by 48 basis points, **net of fees**.
- Over the trailing year, PERA outperformed the Total Fund Interim Custom Index by 141 basis points, gross of fees (127 basis points, **net of fees**), and outperformed the Long-Term Target Allocation benchmark by 160 basis points, gross of fees (146 basis points, **net of fees**).
- PERA's three- and five-year trailing underperformance vs. the benchmarks was due to notable underperformance in calendar years 2007 and 2008 (primarily from manager or strategy underperformance) and calendar year 2009 (mainly due to asset allocation).
- PERA outperformed the Long-Term Target Allocation benchmark in 7 of the last 10 calendar years.

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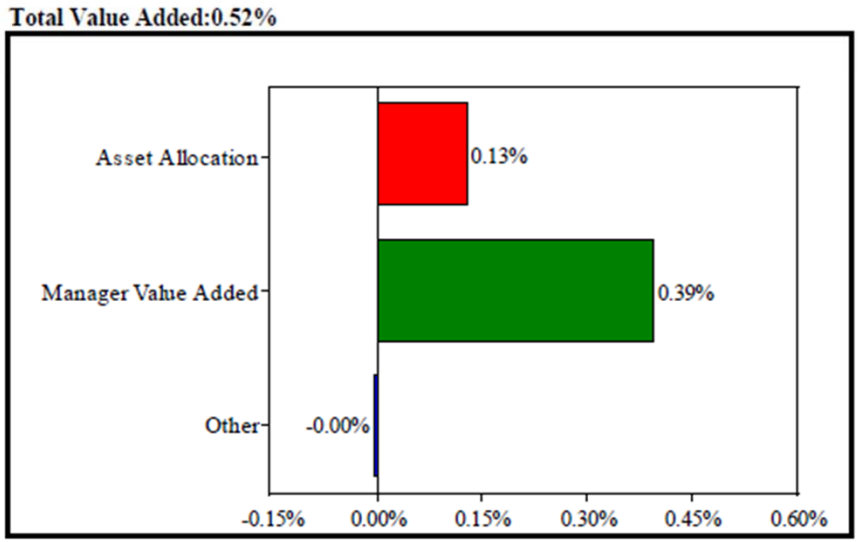
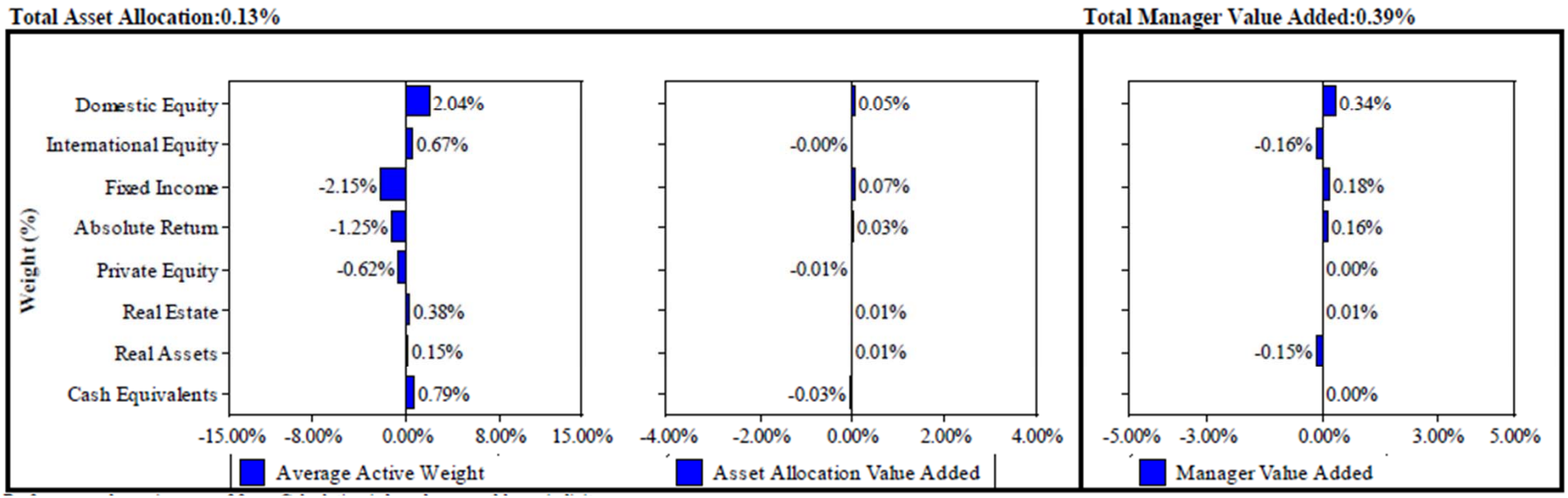
Why did PERA Outperform the Interim Index in the Quarter?

- PERA outperformed the Interim Index by 52 basis points for the quarter ended March 31, 2011.
- Total Fund outperformance can be attributed primarily to manager value added, mainly in Domestic Equity, Fixed Income, and Absolute Return. The Domestic Equity portfolio was led by the Portable Alpha strategy and SMID cap managers as small cap outperformed the broad index. In Fixed Income, Core Plus was the primary contributor.





Performance shown is gross of fees. Calculation is based on monthly periodicity.
Please see Appendix for custom index definition.

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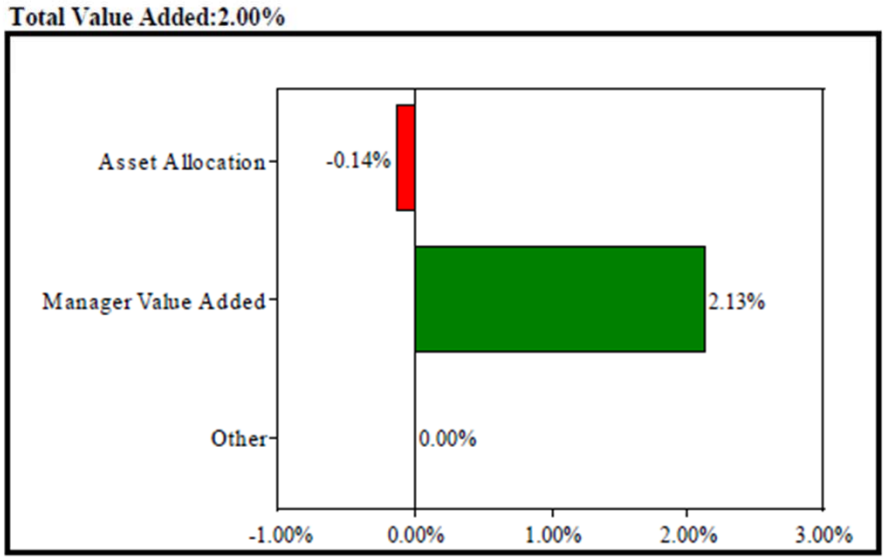
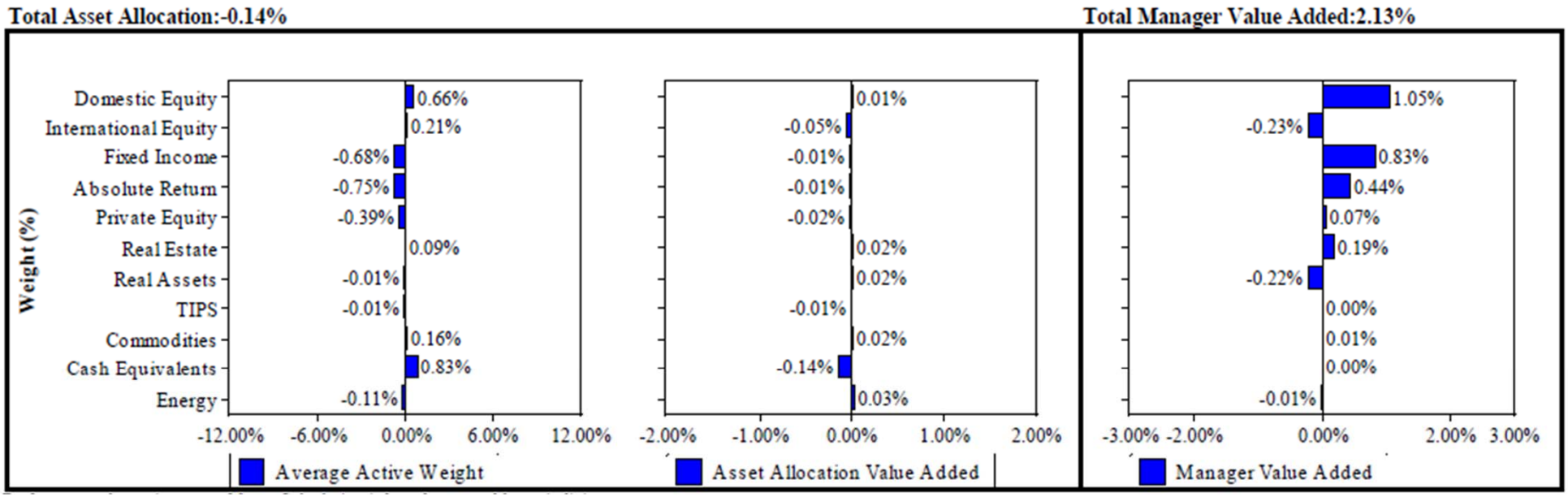
Why did PERA Outperform the Interim Index in the Fiscal Year?

- PERA outperformed the Interim Index by 200 basis points for the fiscal year ended March 31, 2011.
- Total Fund outperformance can be attributed to manager value added, notably in Domestic Equity, Fixed Income, and Absolute Return. In Domestic Equity, Portable Alpha and SMID Cap managers were the strongest performers. Among Fixed Income managers, Western Asset was the strongest performer. Additionally, High Yield contributed to composite returns prior to the portfolio's transition.





Performance shown is gross of fees. Calculation is based on monthly periodicity.
Please see Appendix for custom index definition.

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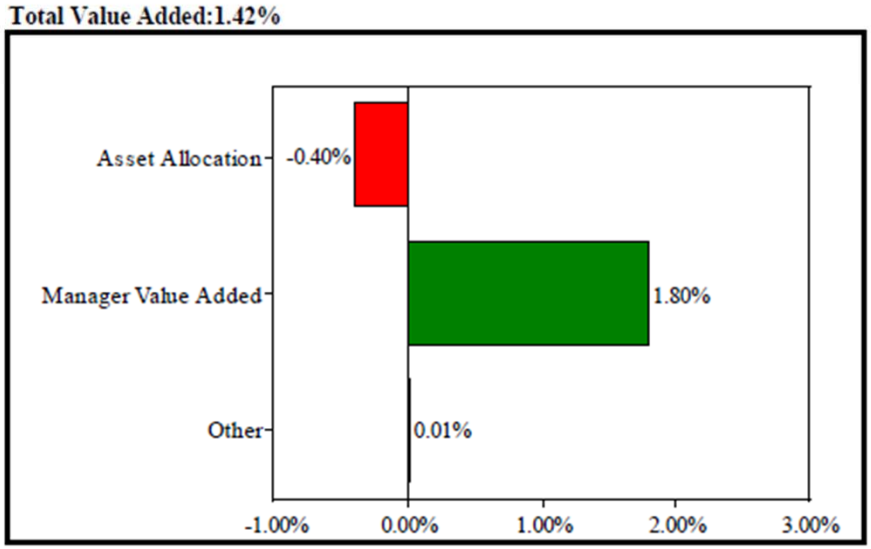
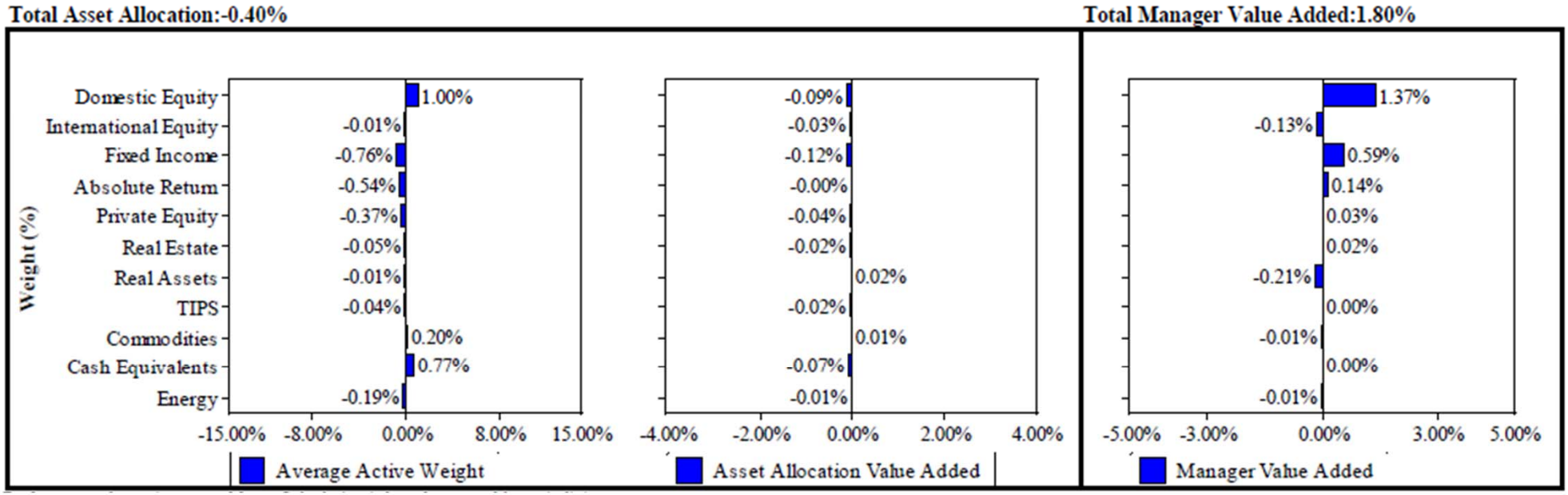
Why did PERA Outperform the Interim Index in the Trailing Year?

- PERA outperformed the Interim Index by 142 basis points for the twelve months ended March 31, 2011.
- Similar to the fiscal year, Total Fund outperformance can be attributed to manager value added, notably in Domestic Equity, Fixed Income, and Absolute Return. In Domestic Equity, Portable Alpha and SMID Cap managers were the strongest performers. Among Fixed Income managers, Western Asset was the strongest performer. Additionally, High Yield contributed to composite returns prior to the portfolio's transition.





Performance shown is gross of fees. Calculation is based on monthly periodicity.
Please see Appendix for custom index definition.

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PERA Total Fund Performance vs. Peers

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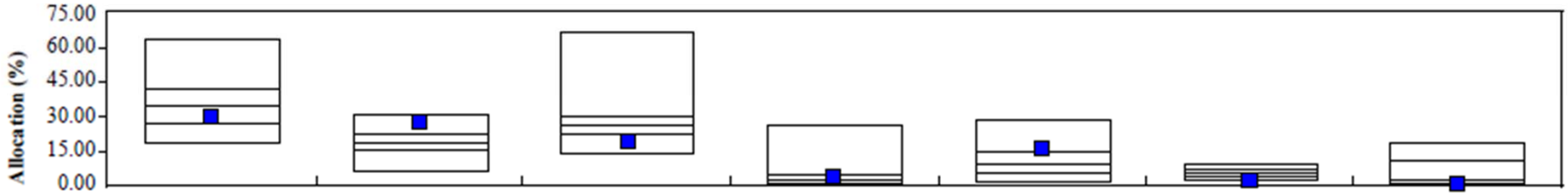
Asset Allocation vs. Peer Group

- PERA's allocation as of March 31, 2011 compared to the All Public Plans > $2B universe:
  - Domestic Equity is 4.7% lower than the median
  - International Equity is 8.6% higher than the median
  - US Fixed Income is 5.5% lower than the median
  - International Fixed Income is 1.3% higher than the median
  - Alternative Investments are 7.0% higher than the median
  - Real Estate is 3.1% lower than the median

Plan Sponsor TF Asset Allocation vs >$2 Billion



	US Equity	Intl. Equity	US Fixed Income	Intl. Fixed Income	Alternative Inv.	Real Estate	Cash
NM PERA Total Fund	29.34 (66)	27.59 (11)	19.89 (85)	3.83 (37)	16.50 (20)	2.38 (94)	0.46 (86)
5th Percentile	62.95	30.45	66.27	26.13	28.39	9.17	18.59
1st Quartile	42.41	22.23	29.70	4.83	15.05	7.06	10.88
Median	34.04	19.01	25.41	2.57	9.55	5.45	2.09
3rd Quartile	26.95	15.24	22.71	0.99	5.21	4.01	1.11
95th Percentile	18.40	6.32	14.25	0.06	1.61	2.02	0.11
Population	44	40	44	22	26	16	22

Due to the recent transition, allocations for the fixed income managers funded in March could not be broken out. As such, the entire allocation to PIMCO is assumed to be US Fixed Income and the entire allocation to F. Templeton Global is assumed to be Intl. Fixed Income.

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PERA vs. Peer Group – Trailing Years

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	15 Years
NM PERA Total Fund	**4.05**	**21.52**	**4.05**	**13.74**	**1.73**	**2.80**	**5.14**	**5.63**	**7.75**
All Public Plans > $2B (Custom Peer Group) Median	3.89	19.70	3.89	13.93	3.36	4.47	6.27	6.22	7.72
Percentile Rank	37	19	37	52	93	99	88	80	47
Population	61	60	61	53	53	52	49	44	33
Total Fund Interim Custom Index	**3.53**	**19.53**	**3.53**	**12.33**	**3.40**	**4.47**	**5.88**	**5.60**	**7.20**
All Public Plans > $2B (Custom Peer Group) Median	3.89	19.70	3.89	13.93	3.36	4.47	6.27	6.22	7.72
Percentile Rank	78	55	78	78	50	50	68	87	80
Population	61	60	61	53	53	52	49	44	33
Long-Term Target Allocation	**3.54**	**19.21**	**3.54**	**12.14**	**3.43**	**4.71**	**6.06**	**5.72**	**7.28**
All Public Plans > $2B (Custom Peer Group) Median	3.89	19.70	3.89	13.93	3.36	4.47	6.27	6.22	7.72
Percentile Rank	78	64	78	79	49	40	57	75	78
Population	61	60	61	53	53	52	49	44	33
NM PERA Total Fund	**4.05**	**21.52**	**4.05**	**13.74**	**1.73**	**2.80**	**5.14**	**5.63**	**7.75**
All Public Plans-Total Fund Median	4.13	20.10	4.13	13.21	4.13	4.49	5.79	5.69	7.36
Percentile Rank	55	30	55	40	96	96	79	54	26
Population	341	337	341	326	308	196	184	155	87
NM PERA Total Fund	**4.05**	**21.52**	**4.05**	**13.74**	**1.73**	**2.80**	**5.14**	**5.63**	**7.75**
All Public Plans >$10B (Custom Peer Group) Median	3.81	19.83	3.81	13.29	3.01	4.36	6.24	6.14	7.51
Percentile Rank	36	12	36	40	87	96	91	77	38
Population	29	28	29	24	24	24	22	22	17

Please see Appendix for custom index definitions.

PERA ranked well versus peers through the fiscal year-to-date period

- PERA ranked well above the passive ***interim*** benchmark (Total Fund Interim), the passive ***long-term*** benchmark (Long-Term Target), and the peer group median
- PERA ranked above median compared to the larger All Public Plans peer group, as well as the All Public Plans > $10B peer group
- Long-term performance continues to trail the benchmarks and medians due to performance in 2007 and 2008

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PERA vs. Peer Group – Calendar Years

Calendar Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
NM PERA Total Fund	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
All Public Plans > $2B (Custom Peer Group) Median	13.56	19.37	-27.03	8.63	14.36	7.99	12.41	23.44	-8.57	-4.38
Percentile Rank	41	37	99	83	37	41	67	72	23	23
Population	53	53	58	57	56	55	49	51	49	46
Total Fund Interim Custom Index	**11.99**	**22.76**	**-26.48**	**8.45**	**14.31**	**7.06**	**10.44**	**21.16**	**-8.27**	**-5.42**
All Public Plans > $2B (Custom Peer Group) Median	13.56	19.37	-27.03	8.63	14.36	7.99	12.41	23.44	-8.57	-4.38
Percentile Rank	74	25	46	52	52	86	90	71	43	70
Population	53	53	58	57	56	55	49	51	49	46
Long-Term Target Allocation	**11.88**	**21.43**	**-25.17**	**9.05**	**14.31**	**7.06**	**10.44**	**21.16**	**-8.27**	**-5.42**
All Public Plans > $2B (Custom Peer Group) Median	13.56	19.37	-27.03	8.63	14.36	7.99	12.41	23.44	-8.57	-4.38
Percentile Rank	74	39	42	42	52	86	90	71	43	70
Population	53	53	58	57	56	55	49	51	49	46
NM PERA Total Fund	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
All Public Plans-Total Fund Median	12.84	19.48	-23.61	8.03	12.42	6.90	10.52	20.42	-8.08	-2.07
Percentile Rank	31	32	99	67	16	24	35	46	17	49
Population	326	318	310	216	206	203	187	185	174	161
NM PERA Total Fund	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
All Public Plans >$10B (Custom Peer Group) Median	12.66	18.20	-27.21	8.88	15.01	7.96	12.61	23.93	-8.65	-4.87
Percentile Rank	18	35	97	85	52	38	81	69	32	19
Population	24	24	27	27	26	25	22	23	23	23

Please see Appendix for custom index definitions.

PERA's long-term rank versus peers was strongly affected by calendar year 2007 and 2008

- PERA ranked below the passive ***interim*** benchmark (Total Fund Interim) in 2007, 2008, and 2009
- PERA ranked above the passive interim benchmark in 2001, 2002, 2004, 2005, 2006, and 2010
- Despite the strong performance in recent years, the dramatically low ranks in 2007 and 2008 impacted the long-term ranks for PERA

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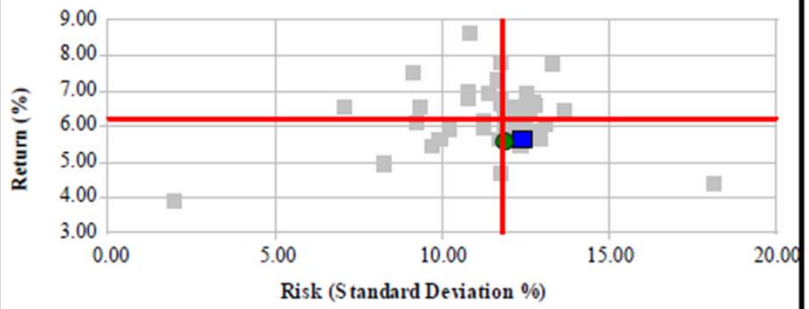
Total Fund – Risk/Return Profile

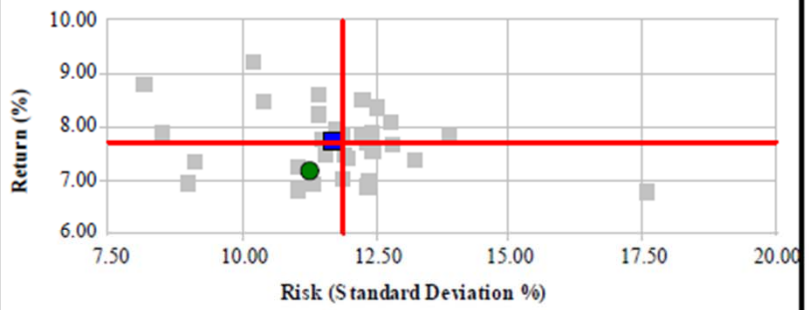
- For the ten-year trailing period ended March 31, 2011, the Total Fund's return was below median, while experiencing a higher level of volatility than the median public plan with assets greater than $2 billion. For the 15-year trailing period, the Total Fund's return was slightly above median with slightly lower volatility than the median.

All Public Plans > $2B (Custom Peer Group) - 10 Years



	Return	Standard Deviation
NM PERA Total Fund	5.63	12.42
Total Fund Interim Custom Index	5.60	11.85
Median	6.22	11.82

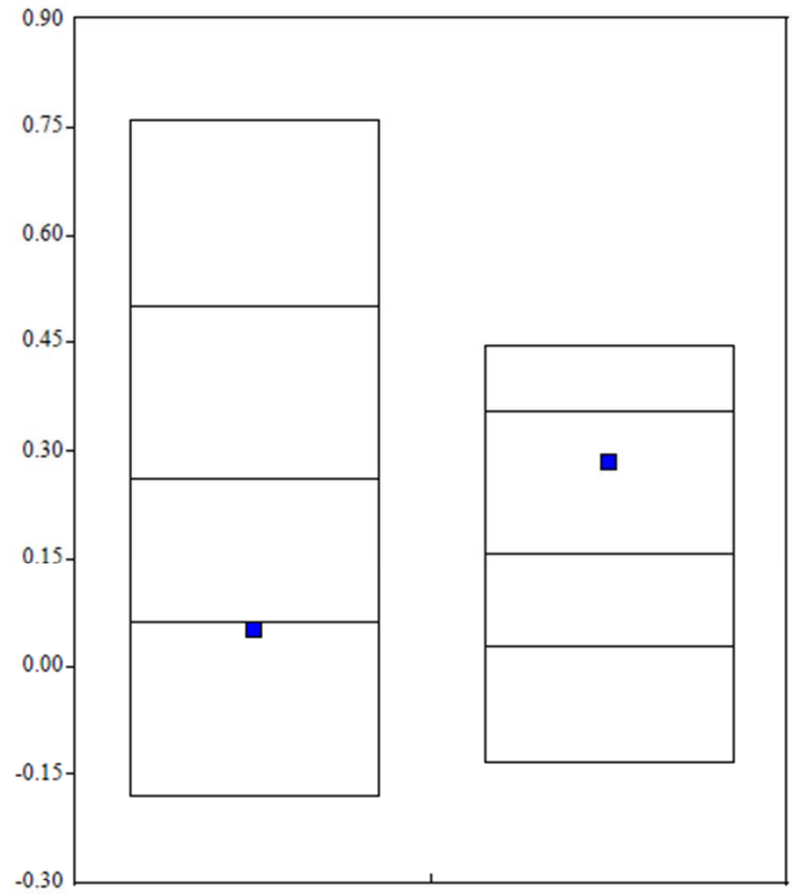
All Public Plans > $2B (Custom Peer Group) - 15 Years



	Return	Standard Deviation
NM PERA Total Fund	7.75	11.70
Total Fund Interim Custom Index	7.20	11.26
Median	7.72	11.89

Calculation based on quarterly periodicity.

Information Ratio



	10 Years	15 Years
NM PERA Total Fund	0.05 (80)	0.29 (35)
Median	0.26	0.16
Population	44	33

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Composite Performance vs. Benchmarks

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Domestic Equity Composite	**7.59**	**36.39**	**7.59**	**22.04**	**4.09**	**3.13**	**5.32**	**8.49**	**21.24**	**27.74**	**-39.04**	**5.43**	**15.85**	**6.95**	**13.24**	**28.97**	**-16.82**	**-6.44**
R 3000 Index	6.38	32.40	6.38	17.41	3.42	2.95	4.13	7.06	16.93	28.34	-37.31	5.14	15.72	6.12	11.95	31.06	-21.54	-11.46
Difference	1.21	3.99	1.21	4.63	0.67	0.18	1.19	1.43	4.31	-0.60	-1.73	0.29	0.13	0.83	1.29	-2.09	4.72	5.02
All Public Plans-US Equity Segment Median	6.53	33.01	6.53	18.60	3.73	2.73	4.73	7.26	18.13	28.81	-37.51	5.52	14.95	6.99	12.47	32.28	-20.37	-8.12
Percentile Rank	8	7	8	8	43	38	31	18	7	67	78	53	30	55	43	87	10	33
Domestic Equity Composite (Net)	**7.55**	**36.22**	**7.55**	**21.84**	**N/A**	**N/A**	**N/A**	**N/A**	**21.04**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Int'l Equity Composite	**2.93**	**28.60**	**2.93**	**13.19**	**-3.42**	**1.05**	**6.05**	**8.24**	**11.78**	**32.85**	**-46.24**	**12.33**	**25.95**	**19.24**	**20.40**	**36.63**	**-15.00**	**-17.97**
MSCI ACW Ex US Blended Index (Gross)	3.49	29.48	3.49	13.61	-0.38	3.78	6.87	5.80	11.60	42.14	-45.24	15.58	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	-0.56	-0.88	-0.56	-0.42	-3.04	-2.73	-0.82	2.44	0.18	-9.29	-1.00	-3.25	-0.91	5.22	-0.30	-2.54	0.66	3.24
All Public Plans-Intl. Equity Segment Median	3.25	29.30	3.25	13.71	-0.97	3.20	7.34	7.08	12.37	36.33	-44.12	15.02	26.60	15.42	19.85	38.17	-14.08	-18.68
Percentile Rank	64	64	64	63	95	98	87	22	61	65	81	82	62	21	42	73	63	45
Int'l Equity Composite (Net)	**2.89**	**28.46**	**2.89**	**13.01**	**N/A**	**N/A**	**N/A**	**N/A**	**11.60**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Total Fixed Income Composite	**1.18**	**4.49**	**1.18**	**7.46**	**6.72**	**6.07**	**5.76**	**6.41**	**9.21**	**14.36**	**-4.19**	**5.23**	**5.17**	**2.92**	**4.92**	**5.35**	**8.98**	**8.55**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.76	2.92	0.76	2.34	1.42	0.04	0.20	0.21	2.67	8.43	-9.43	-1.74	0.84	0.49	0.58	1.25	-1.27	0.11
All Public Plans-US Fixed Income Segment Median	0.99	3.40	0.99	6.80	6.13	6.29	5.87	N/A	8.29	12.69	-2.81	6.50	4.70	2.53	4.96	5.90	9.61	8.21
Percentile Rank	43	35	43	43	36	66	54	N/A	31	44	60	85	35	29	52	57	59	44
Total Fixed Income Composite (Net)	**1.14**	**4.37**	**1.14**	**7.31**	**N/A**	**N/A**	**N/A**	**N/A**	**9.06**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Absolute Return Composite (Net)	**2.58**	**10.14**	**2.58**	**8.01**	**2.87**	**N/A**	**N/A**	**N/A**	**9.46**	**26.15**	**-26.04**	**7.36**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
HFRI FOF Comp Index	0.82	7.88	0.82	5.09	-0.82	1.60	4.16	6.12	5.70	11.47	-21.37	10.25	10.39	7.49	6.86	11.61	1.02	2.80
Difference	1.76	2.26	1.76	2.92	3.69	N/A	N/A	N/A	3.76	14.68	-4.67	-2.89	N/A	N/A	N/A	N/A	N/A	N/A
Real Estate Composite (Net)	**5.33**	**26.57**	**5.33**	**20.39**	**5.53**	**N/A**	**N/A**	**N/A**	**20.46**	**-7.14**	**-4.64**	**11.04**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Real Estate Custom Index	4.68	18.12	4.68	20.55	1.82	N/A	N/A	N/A	19.40	-2.89	-11.19	9.68	N/A	N/A	N/A	N/A	N/A	N/A
Difference	0.65	8.45	0.65	-0.16	3.71	N/A	N/A	N/A	1.06	-4.25	6.55	1.36	N/A	N/A	N/A	N/A	N/A	N/A
Private Equity Composite (Net)	**5.03**	**11.79**	**5.03**	**15.39**	**3.79**	**N/A**	**N/A**	**N/A**	**17.56**	**3.24**	**-13.06**	**-5.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 3000 Index + 3%	7.65	35.10	7.65	20.41	6.64	6.08	7.23	10.16	19.93	31.34	-34.31	8.14	18.72	9.12	14.95	34.06	-18.54	-8.46
Difference	-2.62	-23.31	-2.62	-5.02	-2.85	N/A	N/A	N/A	-2.37	-28.10	21.25	-13.44	N/A	N/A	N/A	N/A	N/A	N/A
Real Assets Composite (Net)	**6.63**	**24.63**	**6.63**	**20.93**	**-0.52**	**N/A**	**N/A**	**N/A**	**12.10**	**-15.18**	**-5.54**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Real Assets Custom Index	10.14	21.23	10.14	20.36	2.46	10.60	21.29	17.63	15.18	-3.64	-4.47	25.01	41.73	84.99	43.24	17.80	13.44	-2.97
Difference	-3.51	3.40	-3.51	0.57	-2.98	N/A	N/A	N/A	-3.08	-11.54	-1.07	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Private Equity Composite is shown against it's alternate benchmark as the current standard benchmark is actual composite performance.

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Watch List

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Watch List - Criteria

The following represent guidelines to be used in making a recommendation to the Investment Committee with regards to placing a traditional asset class manager on the Watch List:

Test 1 If the manager's rolling, three-year return (gross of fees) falls below the rolling, three-year benchmark return for three (3) consecutive quarters.

Test 2 If the manager's rolling, three-year return (gross of fees) for three (3) consecutive quarters ranks in the bottom third of the Consultant's peer group universe.

*Passive mandates have been excluded from the watch list analysis.

Watch List – Managers Meeting Criteria

Public Employees Retirement Association of New Mexico
Manager Watch List
As of March 31, 2011

Manager	Asset Class	Reason	Effective Date	Recommendation
MANAGERS MEETING WATCH LIST CRITERIA				
State Street International Alpha	**International Equity - Large Core**	**Performance**	**December 31, 2009**	**Watch List**
State Street has failed Test 1 and Test 2 of the Watch List criteria. The product underperformed relative to its benchmark on a three-year rolling basis for each of the last three quarters. It has ranked in the bottom third of its peer universe on a three-year rolling basis for each of the last three quarters (79th, 78th, and 82nd).				
Artio International Equity II	**International Equity - Large Core**	**Performance**	**December 31, 2009**	**Liquidation in Progress**
Artio has failed Test 1 and Test 2 of the Watch List criteria. The product underperformed relative to its benchmark on a three-year rolling basis for each of the last three quarters. It has ranked in the bottom third of its peer universe on a three-year rolling basis for each of the last three quarters (86th, 85th, and 68th).				
Principal International	**International Equity - Small**	**Performance**	**September 30, 2009**	**Watch List**
Using composite returns to extend product history beyond inception into the portfolio, Principal has failed Test 1 and Test 2 of the Watch List criteria. The product underperformed relative to its benchmark on a three-year rolling basis for each of the last three quarters. It has ranked in the bottom third of its peer universe on a three-year rolling basis for each of the last three quarters (69th, 76th, and 81st).				

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Watch List – Criteria Performance Tables

Period ending March 31, 2011	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
State Street International Alpha Select	**-3.31**	**-7.26**	**-10.46**
MSCI EAFE Index (Gross)	-2.53	-6.55	-9.06
Difference	-0.78	-0.71	-1.40
International Active Equity (SA+CF) Median	-0.84	-4.94	-7.48
Percentile Rank	79	78	82
Artio International Equity II	**-3.91**	**-7.81**	**-9.07**
MSCI ACW Ex US Index (Gross)	-0.38	-4.58	-6.98
Difference	-3.53	-3.23	-2.09
International Active Equity (SA+CF) Median	-0.84	-4.94	-7.48
Percentile Rank	86	85	68
Principal International Small Cap Equity (With Comp History)	**1.20**	**-3.25**	**-9.92**
MSCI World Ex US Sm Cap Blended Index (Gross)	2.85	-0.42	-5.95
Difference	-1.65	-2.83	-3.97
International Small Cap Equity (SA+CF) Median	2.66	-1.46	-6.20
Percentile Rank	69	76	81

Failed both tests; placed on Watch List

Failed both tests; liquidation in progress

Failed both tests; placed on Watch List

For managers with less than 3 years of history, composite returns are used prior to the fund's inception into the portfolio.

Watch List – Criteria Performance Tables

Period ending March 31, 2011	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
CS McKee Value Equity	**2.36**	**-2.29**	**-6.68**
R 1000 Value Index	0.60	-4.42	-9.39
Difference	1.76	2.13	2.71
US Value/Large Cap Equity (SA+CF) Median	2.75	-2.70	-7.41
Percentile Rank	57	45	42
INTECH Enhanced Plus	**2.85**	**-2.85**	**-6.07**
S&P 500 Index (Cap Wtd)	2.35	-2.85	-7.16
Difference	0.50	0.00	1.09
US Core/Large Cap Equity (SA+CF) Median	2.98	-2.41	-6.52
Percentile Rank	54	64	40
Times Square Capital SMID Cap Growth	**12.33**	**5.46**	**1.36**
R 2500 Growth Index	9.67	2.21	-3.41
Difference	2.66	3.25	4.77
US Small/Mid Cap Growth (SA+CF) Median	10.31	1.89	-4.36
Percentile Rank	30	16	9
RBC GAM Small Cap Growth	**12.27**	**4.36**	**-1.59**
R 2000 Growth Index	10.16	2.18	-3.74
Difference	2.11	2.18	2.15
US Growth/Small Cap Equity (SA+CF) Median	10.27	1.48	-5.01
Percentile Rank	34	28	23
BlackRock Core Active	**6.89**	**7.41**	**8.90**
BC US Agg Bond Index	5.30	5.90	7.42
Difference	1.59	1.51	1.48
US Broad Market Core Fixed Income (SA+CF) Median	6.19	6.65	8.04
Percentile Rank	26	22	20
Western Asset Management US Core Full	**7.05**	**6.39**	**7.23**
BC US Agg Bond Index	5.30	5.90	7.42
Difference	1.75	0.49	-0.19
US Broad Market Core+ Fixed Income (SA+CF) Median	7.03	7.10	8.21
Percentile Rank	49	67	70

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Watch List - Performance

- PERA's managers listed below do not have three years of historical performance, for three trailing quarters, with PERA of New Mexico.
- We have reviewed managers' long-term performance using product returns and do not have concerns with any of the managers below:

Manager	PERA Inception Date
DFA US Targeted Value	10/1/2010
MetWest Small Cap Intrinsic Value Equity	10/1/2010
Kleinwort Benson Dividend Plus International Equity	4/1/2010
MFS International Value Equity	4/1/2010
Eaton Vance Parametric Strct Emg Mkts Eq	11/1/2007
Aberdeen Emerging Markets Equity	11/1/2009
Wellington Emerging Markets Equity	12/1/2009
PIMCO Total Return Full Authority	4/1/2011
F. Templeton Global Multi-Sector Plus	4/1/2011

Composite Performance for Managers Without 3 Years of PERA Performance

Period ending March 31, 2011	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
DFA US Targeted Value (With Comp History)	**9.33**	**4.22**	**-3.69**
R 2000 Value Index	6.76	2.19	-4.99
Difference	2.57	2.03	1.30
US Value/Small Cap Equity (SA+CF) Median	10.03	4.95	-2.23
Percentile Rank	60	60	66
MetWest Small Cap Intrinsic Value Equity (With Comp History)	**15.21**	**9.80**	**1.48**
R 2000 Value Index	6.76	2.19	-4.99
Difference	8.45	7.61	6.47
US Value/Small Cap Equity (SA+CF) Median	10.03	4.95	-2.23
Percentile Rank	13	10	15
Kleinwort Benson Dividend Plus Intl Eq (With Comp History)	**-2.48**	**-6.45**	**-9.64**
MSCI EAFE Value Index (Gross)	-2.96	-7.57	-10.16
Difference	0.48	1.12	0.52
International Value Equity (SA+CF) Median	-0.59	-4.19	-6.78
Percentile Rank	73	69	79
MFS International Value Equity (With Comp History)	**1.38**	**-1.06**	**-3.91**
MSCI EAFE Value Index (Gross)	-2.96	-7.57	-10.16
Difference	4.34	6.51	6.25
International Value Equity (SA+CF) Median	-0.59	-4.19	-6.78
Percentile Rank	31	21	20
Eaton Vance Parametric Strct Emg Mkts Eq (With Comp History)	**4.86**	**1.26**	**0.62**
S&P/IFCI Composite Index	5.02	0.34	-0.93
Difference	-0.16	0.92	1.55
Emerging Markets Equity (SA+CF) Median	4.59	0.42	-1.01
Percentile Rank	43	40	35

For managers with less than 3 years of history, composite returns are used prior to the fund's inception into the portfolio.

Note: KBC failed Test 2. However, RV Kuhns recommends not placing this manager on watch at this time as the product was recently funded and has outperformed the benchmark by 1.52% since inception in April 2010.

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Composite Performance for Managers Without 3 Years of PERA Performance

Period ending March 31, 2011	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
Aberdeen Emerging Markets Equity (With Comp History)	**13.33**	**10.40**	**9.87**
MSCI Emg Mkts Index (Gross)	4.62	-0.03	-1.20
Difference	8.71	10.43	11.07
Emerging Markets Equity (SA+CF) Median	4.59	0.42	-1.01
Percentile Rank	7	4	3
Wellington Emerging Markets Equity (With Comp History)	**4.57**	**0.68**	**0.31**
MSCI Emg Mkts Index (Gross)	4.62	-0.03	-1.20
Difference	-0.05	0.71	1.51
Emerging Markets Equity (SA+CF) Median	4.59	0.42	-1.01
Percentile Rank	51	46	37
PIMCO Total Return Full Authority (With Comp History)	**8.38**	**9.10**	**10.86**
BC US Agg Bond Index	5.30	5.90	7.42
Difference	3.08	3.20	3.44
US Broad Market Core+ Fixed Income (SA+CF) Median	7.03	7.10	8.21
Percentile Rank	19	11	4
F. Templeton Global Multi-Sector Plus (With Comp History)	**15.21**	**16.02**	**15.42**
BC Multiverse Index	4.19	5.87	7.39
Difference	11.02	10.15	8.03
Global Fixed Income Unhedged (SA+CF) Median	5.07	6.80	8.25
Percentile Rank	1	1	1

For managers with less than 3 years of history, composite returns are used prior to the fund's inception into the portfolio.

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Appendix

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Domestic Equity

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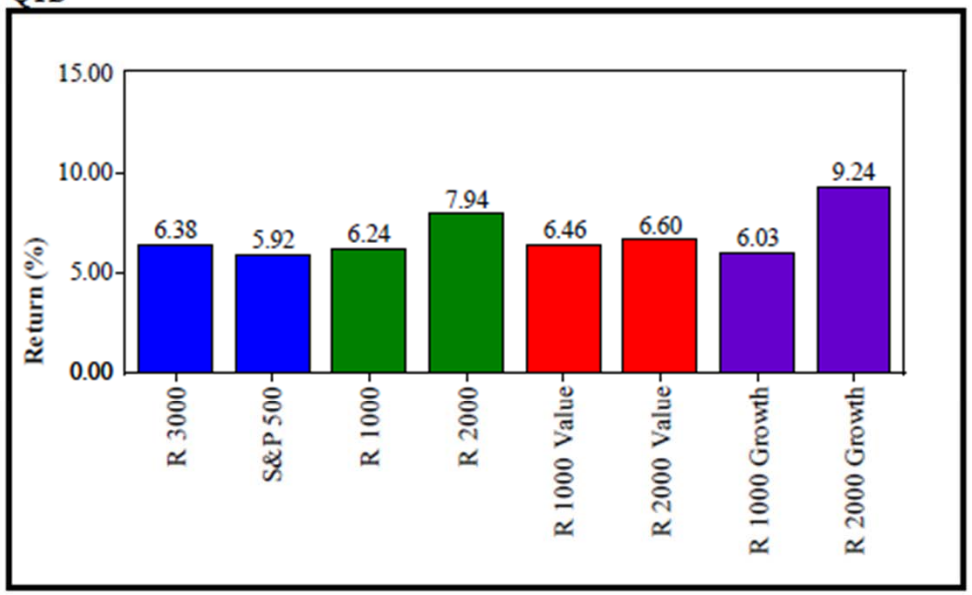
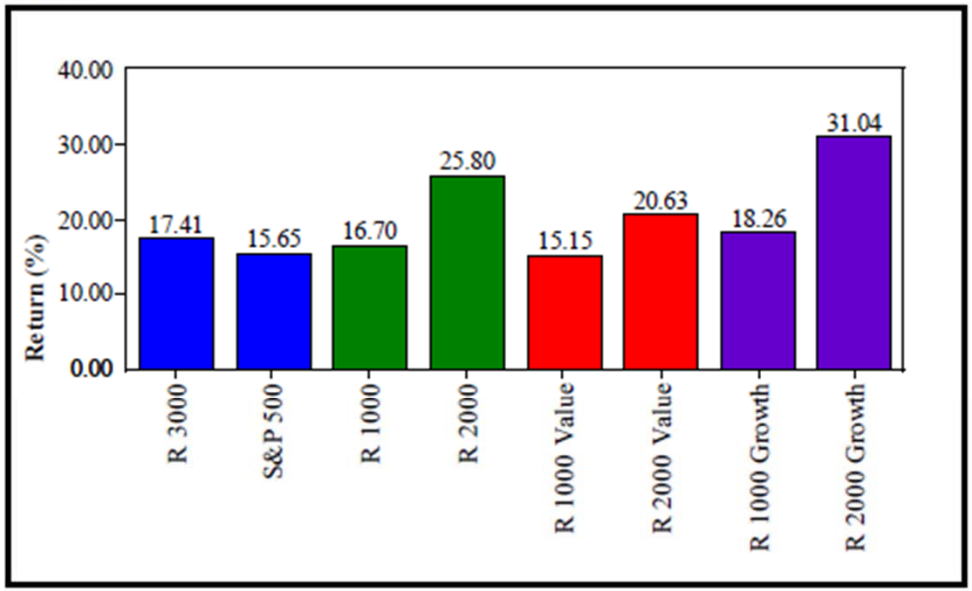
Domestic Equity Market Performance

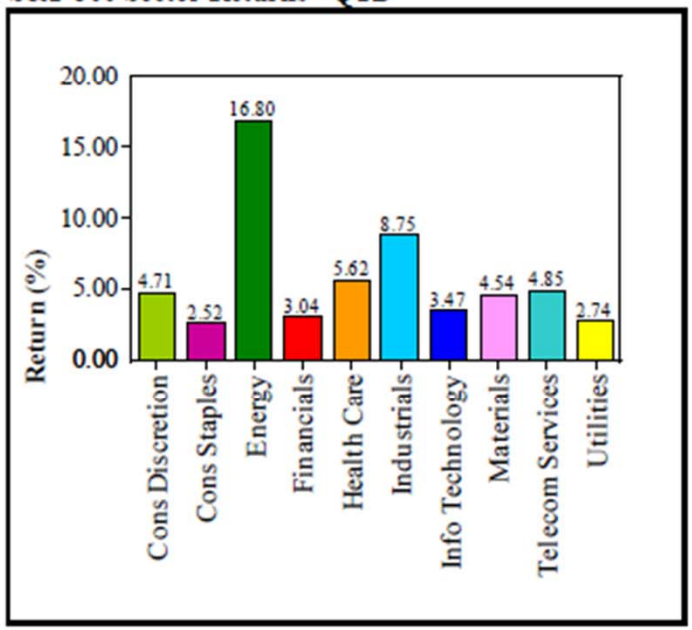
QTD



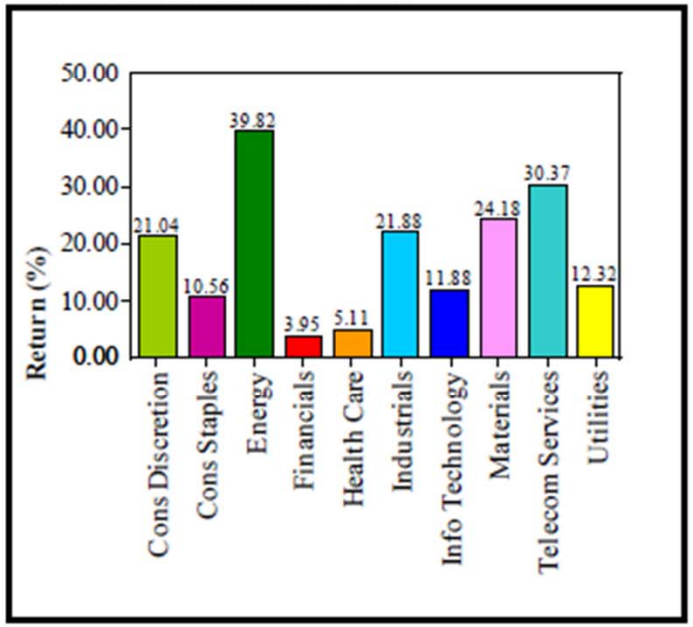
1 Year



S&P 500 Sector Returns - QTD



S&P 500 Sector Returns - 1 Year



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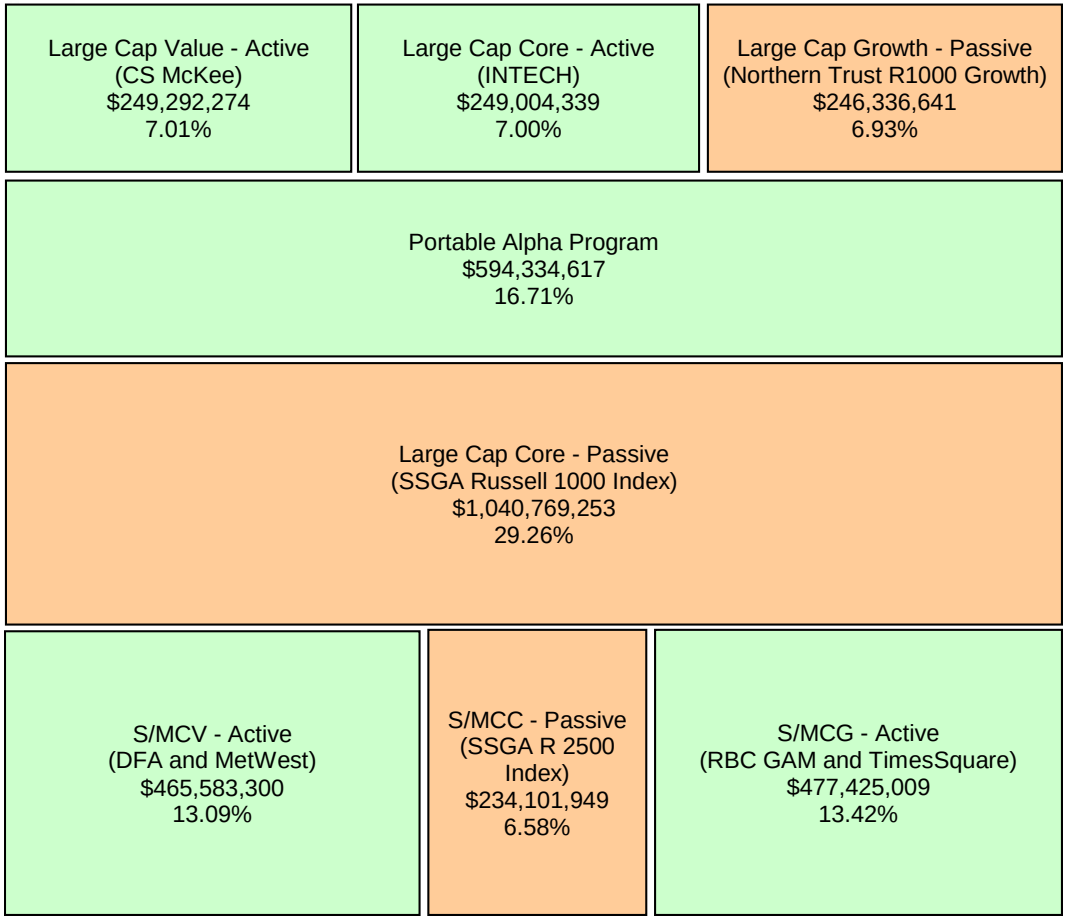
Domestic Equity Asset Allocation



Large Cap	**67%**
Small/Mid Cap	**33%**
Value	**20%**
Core	**60%**
Growth	**20%**

			Peer Median / Avg*
Active		**57%**	**64% / 59%**
CS McKee	Large Value	7%	
INTECH Enhanced	Large Core	7%	
Portable Alpha	Large Core	17%	
DFA US Targeted Value	Small Value	7%	
MetWest SC Value	Small Value	7%	
RBC GAM	Small Growth	7%	
TimesSquare	Small Growth	7%	
Passive		**43%**	**36% / 41%**
State Street R 1000	Large Core	29%	
Northern Trust R 1000 G	Large Growth	7%	
State Street R 2500	SMid Core	7%	

Period ending March 31, 2011	**QTD**	**FYTD**	**CYTD**	**1 Year**	**3 Years**	**5 Years**	**10 Years**	**15 Years**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
Domestic Equity Composite	**7.59**	**36.39**	**7.59**	**22.04**	**4.09**	**3.13**	**5.32**	**8.49**	**21.24**	**27.74**	**-39.04**	**5.43**	**15.85**	**6.95**	**13.24**	**28.97**	**-16.82**	**-6.44**
R 3000 Index	6.38	32.40	6.38	17.41	3.42	2.95	4.13	7.06	16.93	28.34	-37.31	5.14	15.72	6.12	11.95	31.06	-21.54	-11.46
Difference	1.21	3.99	1.21	4.63	0.67	0.18	1.19	1.43	4.31	-0.60	-1.73	0.29	0.13	0.83	1.29	-2.09	4.72	5.02

- The Domestic Equity Composite outperformed the Russell 3000 Index by 117 basis points, net of fees, for the quarter, returning 7.55% vs. 6.38%.

*Source: R.V. Kuhns & Associates, Inc. Public Plan Survey, public plans greater than $1 billion (62 plans). Data as of December 31, 2010.

RVKuhns & ASSOCIATES, INC.

Domestic Equity Performance vs. Benchmarks

- For the quarter ending March 31, 2011 the total Domestic Equity Composite outperformed the benchmark Russell 3000 by 121 basis points, gross of fees.
  - The SMID Cap Equity Composite outperformed the Russell 3000 Index by 239 basis points, while leading the Russell 2500 Index by 7 basis points. RBC GAM was the biggest contributors, outperforming the Russell 3000 by 373 basis points, and the Russell 2000 Growth Index by 87 basis points. TimesSquare, while trailing the Russell 2500 Growth Index by 46 basis points, also contributed to the Domestic Equity Composite's outperformance by gaining 299 basis points over the asset class benchmark..
  - Outperformance from the Large Cap Equity Composite can be attributed to Portable Alpha, which returned 9.04% compared to 6.38% for the Russell 3000 during the quarter . Additionally, CS McKee and INTECH each led their respective style benchmarks.
- Despite the magnitude of underperformance in calendar year 2008, the strong outperformance for the trailing year has counteracted the effect, and the composite has now outperformed the benchmark and ranked above median for all trailing periods through 15 years.

Domestic Equity Performance

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002
Domestic LCV Equity Composite	**6.53**	**33.53**	**6.53**	**19.76**	**1.68**	**N/A**	**N/A**	**20.22**	**22.17**	**-38.62**	**0.49**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Value Index	6.46	29.60	6.46	15.15	0.60	1.37	4.53	15.51	19.69	-36.85	-0.17	22.25	7.05	16.49	30.03	-15.52
Difference	0.07	3.93	0.07	4.61	1.08	N/A	N/A	4.71	2.48	-1.77	0.66	N/A	N/A	N/A	N/A	N/A
CS McKee Value Equity	**6.53**	**33.13**	**6.53**	**17.87**	**2.36**	**N/A**	**N/A**	**17.27**	**23.83**	**-35.76**	**5.99**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Value Index	6.46	29.60	6.46	15.15	0.60	1.37	4.53	15.51	19.69	-36.85	-0.17	22.25	7.05	16.49	30.03	-15.52
Difference	0.07	3.53	0.07	2.72	1.76	N/A	N/A	1.76	4.14	1.09	6.16	N/A	N/A	N/A	N/A	N/A
Domestic LCC Equity Composite	**7.20**	**34.68**	**7.20**	**19.10**	**-0.23**	**N/A**	**N/A**	**19.06**	**22.75**	**-43.97**	**5.49**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Index	6.24	31.78	6.24	16.70	2.98	2.93	3.83	16.10	28.43	-37.60	5.77	15.46	6.27	11.40	29.89	-21.65
Difference	0.96	2.90	0.96	2.40	-3.21	N/A	N/A	2.96	-5.68	-6.37	-0.28	N/A	N/A	N/A	N/A	N/A
State Street Russell 1000 Index Fund	**6.25**	**31.65**	**6.25**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Index	6.24	31.78	6.24	16.70	2.98	2.93	3.83	16.10	28.43	-37.60	5.77	15.46	6.27	11.40	29.89	-21.65
Difference	0.01	-0.13	0.01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
INTECH Enhanced Plus	**6.62**	**30.83**	**6.62**	**16.79**	**2.85**	**2.84**	**N/A**	**15.65**	**25.02**	**-36.59**	**7.40**	**14.70**	**9.29**	**N/A**	**N/A**	**N/A**
S&P 500 Index (Cap Wtd)	5.92	30.56	5.92	15.65	2.35	2.62	3.29	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10
Difference	0.70	0.27	0.70	1.14	0.50	0.22	N/A	0.59	-1.44	0.41	1.91	-1.09	4.38	N/A	N/A	N/A
Portable Alpha Composite	**9.04**	**40.55**	**9.04**	**25.24**	**-2.82**	**N/A**	**N/A**	**25.77**	**18.72**	**-51.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Portable Alpha Custom Index + 3%	6.66	33.05	6.66	18.65	-3.02	0.50	3.71	18.06	0.35	-34.00	8.49	18.79	7.91	13.88	31.68	-19.10
Difference	2.38	7.50	2.38	6.59	0.20	N/A	N/A	7.71	18.37	-17.30	N/A	N/A	N/A	N/A	N/A	N/A

RVKuhns & ASSOCIATES, INC.

Domestic Equity Performance

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002
Domestic LCG Equity Composite	**6.03**	**33.93**	**6.03**	**19.88**	**5.40**	**N/A**	**N/A**	**18.34**	**36.72**	**-39.05**	**12.45**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Growth Index	6.03	33.99	6.03	18.26	5.19	4.34	2.99	16.71	37.22	-38.44	11.81	9.07	5.26	6.30	29.75	-27.88
Difference	0.00	-0.06	0.00	1.62	0.21	N/A	N/A	1.63	-0.50	-0.61	0.64	N/A	N/A	N/A	N/A	N/A
Northern Trust R 1000 Growth Index	**6.03**	**34.04**	**6.03**	**18.36**	**5.46**	**4.50**	**3.11**	**16.84**	**37.63**	**-38.17**	**11.77**	**9.06**	**5.31**	**6.31**	**29.73**	**-27.69**
R 1000 Growth Blended Index	6.03	33.99	6.03	18.26	5.19	4.34	2.99	16.71	37.22	-38.44	11.81	9.07	5.26	6.30	29.75	-27.88
Difference	0.00	0.05	0.00	0.10	0.27	0.16	0.12	0.13	0.41	0.27	-0.04	-0.01	0.05	0.01	-0.02	0.19
Domestic Small/Mid Cap Equity Composite	**8.77**	**40.57**	**8.77**	**27.80**	**9.57**	**5.35**	**9.48**	**26.53**	**30.67**	**-32.96**	**3.41**	**15.93**	**9.13**	**17.85**	**30.64**	**-8.74**
R 2500 Index	8.70	40.10	8.70	26.11	8.89	4.39	8.85	26.71	34.39	-36.79	1.38	16.17	8.11	18.29	45.51	-17.80
Difference	0.07	0.47	0.07	1.69	0.68	0.96	0.63	-0.18	-3.72	3.83	2.03	-0.24	1.02	-0.44	-14.87	9.06
State Street Russell 2500 Index Fund	**8.64**	**40.20**	**8.64**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2500 Index	8.70	40.10	8.70	26.11	8.89	4.39	8.85	26.71	34.39	-36.79	1.38	16.17	8.11	18.29	45.51	-17.80
Difference	-0.06	0.10	-0.06	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Times Square Capital SMID Cap Growth	**9.37**	**41.79**	**9.37**	**30.13**	**12.33**	**8.80**	**N/A**	**25.73**	**45.69**	**-35.97**	**16.70**	**13.78**	**N/A**	**N/A**	**N/A**	**N/A**
R 2500 Growth Index	9.83	44.16	9.83	30.07	9.67	5.25	7.54	28.86	41.65	-41.50	9.69	12.26	8.17	14.59	46.31	-29.09
Difference	-0.46	-2.37	-0.46	0.06	2.66	3.55	N/A	-3.13	4.04	5.53	7.01	1.52	N/A	N/A	N/A	N/A
DFA US Targeted Value	**8.17**	**N/A**	**8.17**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Value Index	6.60	34.93	6.60	20.63	6.76	2.23	9.01	24.50	20.58	-28.92	-9.78	23.48	4.71	22.25	46.03	-11.43
Difference	1.57	N/A	1.57	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MetWest Small Cap Intrinsic Value Equity	**7.55**	**N/A**	**7.55**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Value Index	6.60	34.93	6.60	20.63	6.76	2.23	9.01	24.50	20.58	-28.92	-9.78	23.48	4.71	22.25	46.03	-11.43
Difference	0.95	N/A	0.95	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RBC GAM Small Cap Growth	**10.11**	**40.18**	**10.11**	**30.38**	**12.27**	**4.95**	**N/A**	**27.50**	**33.88**	**-33.42**	**7.38**	**6.73**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Growth Index	9.24	44.35	9.24	31.04	10.16	4.34	6.44	29.09	34.47	-38.54	7.05	13.35	4.15	14.31	48.54	-30.26
Difference	0.87	-4.17	0.87	-0.66	2.11	0.61	N/A	-1.59	-0.59	5.12	0.33	-6.62	N/A	N/A	N/A	N/A

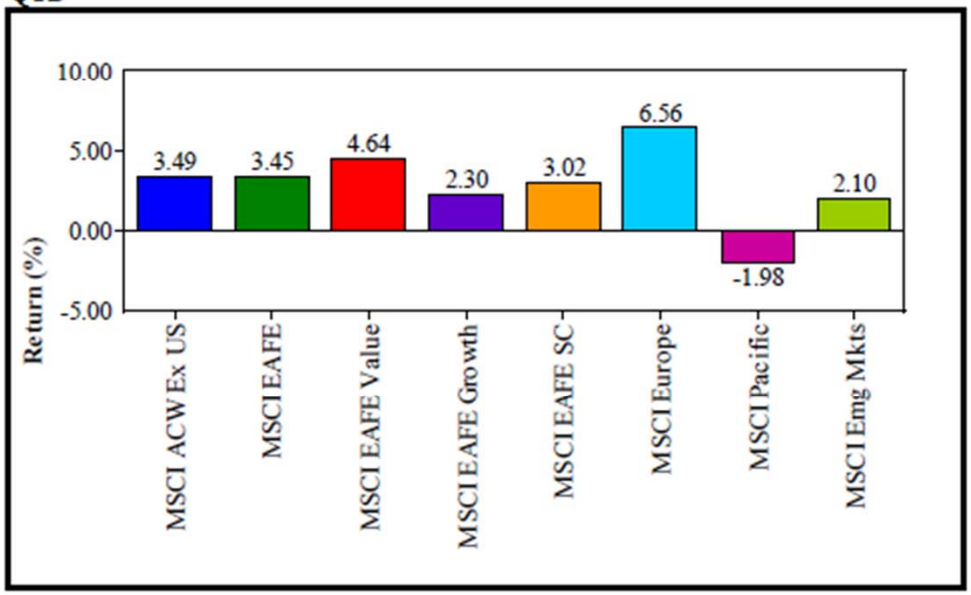
RVKuhns & ASSOCIATES, INC.

International Equity

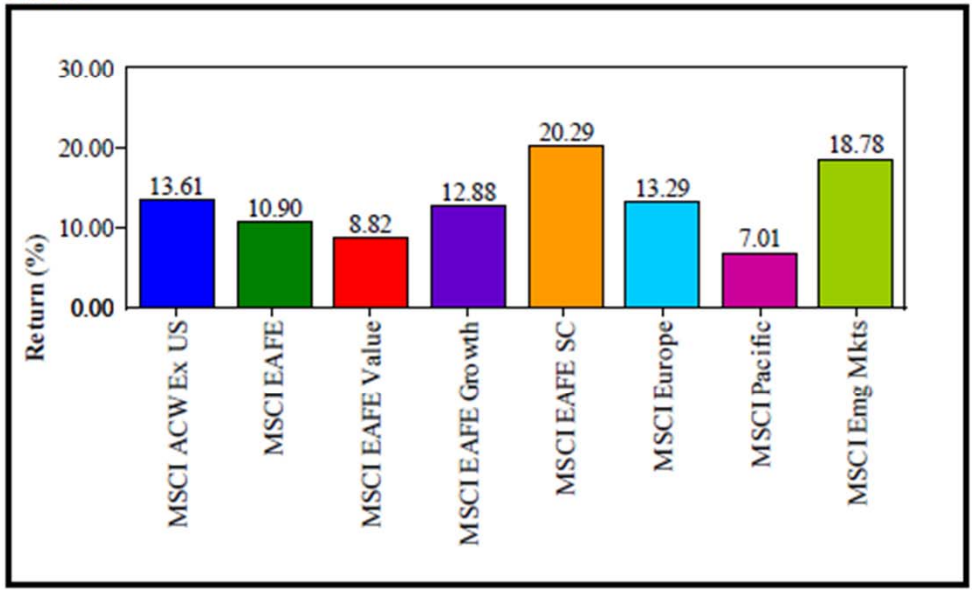
RVKuhns
& ASSOCIATES, INC.

International Equity Market Performance

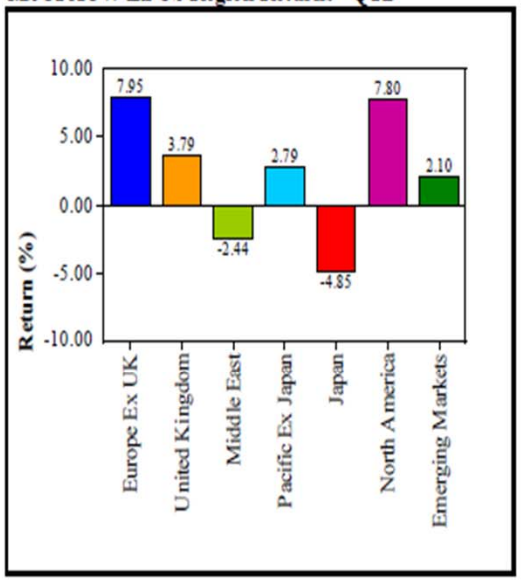
QTD



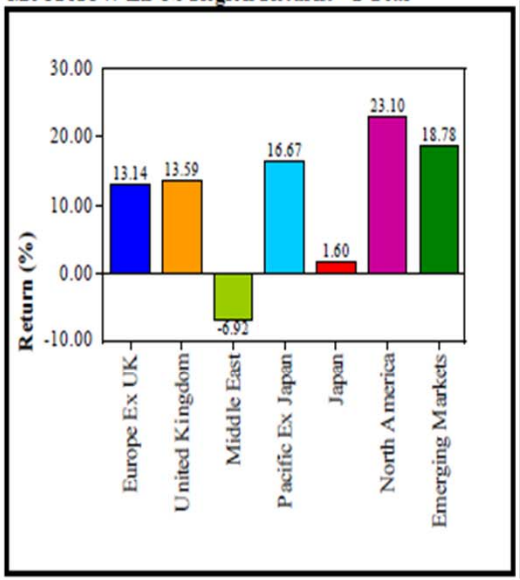
1 Year



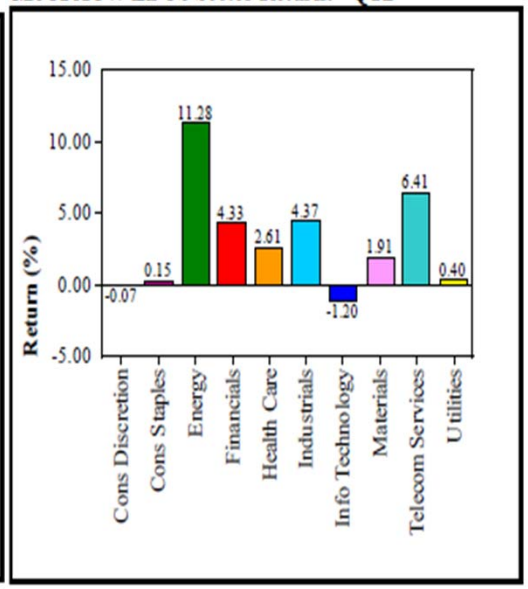
MSCI ACW Ex US Region Returns - QTD



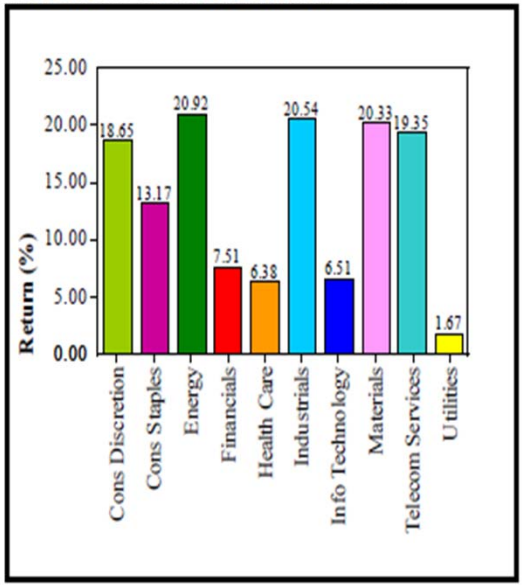
MSCI ACW Ex US Region Returns - 1 Year



MSCI ACW Ex US Sector Returns - QTD



MSCI ACW Ex US Sector Returns - 1 Year



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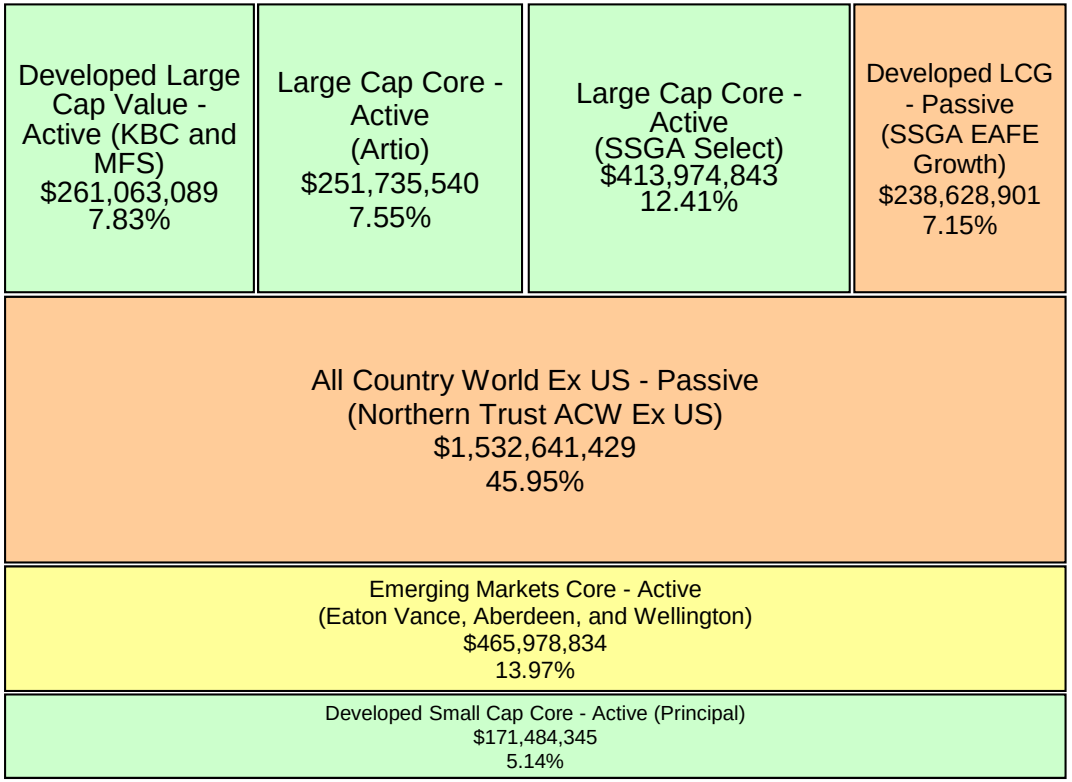
International Equity Asset Allocation



Large Cap	**63%**
Small/Mid Cap	**12%**
Emerging Markets	**25%**
Value	**8%**
Core	**85%**
Growth	**7%**

			Peer Median / Avg*
Active		**47%**	**85% / 75%**
KBC	Large Value	3%	
MFS	Large Value	5%	
State Street Select	Large Core	12%	
Artio	Large Core	8%	
Principal	Developed Small Core	5%	
Eaton Vance	Emerging Core	6%	
Aberdeen Emerging	Emerging Core	4%	
Wellington Emerging	Emerging Core	4%	
Passive		**53%**	**15% / 25%**
Northern Trust ACW Ex US	All Country World Ex US	46%	
State Street EAFE Growth	Developed Large Growth	7%	

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Int'l Equity Composite	**2.93**	**28.60**	**2.93**	**13.19**	**-3.42**	**1.05**	**6.05**	**8.24**	**11.78**	**32.85**	**-46.24**	**12.33**	**25.95**	**19.24**	**20.40**	**36.63**	**-15.00**	**-17.97**
MSCI ACW Ex US Blended Index (Gross)	3.49	29.48	3.49	13.61	-0.38	3.78	6.87	5.80	11.60	42.14	-45.24	15.58	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	-0.56	-0.88	-0.56	-0.42	-3.04	-2.73	-0.82	2.44	0.18	-9.29	-1.00	-3.25	-0.91	5.22	-0.30	-2.54	0.66	3.24

- The International Equity Composite underperformed the MSCI ACW Ex US Blended Index (Gross) by 60 basis points, net of fees, for the quarter, returning 2.89% vs. 3.49%.

*Source: R.V. Kuhns & Associates, Inc. Public Plan Survey, public plans greater than $1 billion (62 plans). Data as of December 31, 2010.

Allocations shown for the NT ACW Ex US fund were derived using the index weights to Large Cap, Small/Mid Cap, and Emerging Markets and applying these to PERA's weight to this mandate.

Market values and allocations exclude residual assets remaining in the Northern Trust EAFE, SSgA Emerging Markets, and Credit Suisse Transition accounts.

RVKuhns & ASSOCIATES, INC.

International Equity Performance vs. Benchmarks

- For the quarter ending March 31, 2011 the International Equity Composite underperformed the benchmark MSCI ACW Ex US Blended Index by 56 basis points, gross of fees.
  - Performance can be attributed to MFS, Artio, State Street EAFE Growth, and the emerging markets managers, which all underperformed relative to the broad benchmark.
- The International Equity Composite also underperformed the benchmark for the trailing year ending March 31, 2011.
  - The International Developed Composite outperformed the MSCI EAFE Index by 230 basis points; however the composite underperformed the broader index by 41 basis points.
    - All managers in the composite except for Kleinwort Benson outperformed the MSCI EAFE Index, however, only Principal outperformed the MSCI ACW Ex US Blended Index.
  - The Emerging Markets Composite underperformed the MSCI Emerging Markets Index by 20 basis points, but outperformed the broader index by 497 basis points.
    - Eaton Vance and Aberdeen outperformed the MSCI Emerging Markets index over this period by 69 basis points and 357 basis points, respectively.
    - Wellington significantly underperformed the MSCI Emerging Markets Index over the trailing year, lagging the benchmark by 523 basis points.

International Equity Performance

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	2010	2009	2008	2007
Northern Trust ACW Ex US Index	**3.43**	**N/A**	**3.43**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI ACW Ex US Index (Gross)	3.49	29.48	3.49	13.61	-0.38	11.60	42.14	-45.24	17.12
Difference	-0.06	N/A	-0.06	N/A	N/A	N/A	N/A	N/A	N/A
Int'l Developed Equity Composite	**3.38**	**30.21**	**3.38**	**13.20**	**-3.55**	**10.77**	**28.62**	**-44.36**	**8.98**
MSCI EAFE Index (Gross)	3.45	28.57	3.45	10.90	-2.53	8.21	32.46	-43.06	11.63
Difference	-0.07	1.64	-0.07	2.30	-1.02	2.56	-3.84	-1.30	-2.65
Kleinwort Benson Dividend Plus Intl Eq	**3.71**	**26.33**	**3.71**	**10.34**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Value Index (Gross)	4.64	28.38	4.64	8.82	-2.96	3.81	35.06	-43.68	6.49
Difference	-0.93	-2.05	-0.93	1.52	N/A	N/A	N/A	N/A	N/A
MFS International Value Equity	**2.76**	**23.56**	**2.76**	**11.76**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Value Index (Gross)	4.64	28.38	4.64	8.82	-2.96	3.81	35.06	-43.68	6.49
Difference	-1.88	-4.82	-1.88	2.94	N/A	N/A	N/A	N/A	N/A
State Street International Alpha Select	**4.51**	**30.27**	**4.51**	**11.64**	**-3.31**	**8.50**	**26.16**	**-41.73**	**N/A**
MSCI EAFE Index (Gross)	3.45	28.57	3.45	10.90	-2.53	8.21	32.46	-43.06	11.63
Difference	1.06	1.70	1.06	0.74	-0.78	0.29	-6.30	1.33	N/A
Artio International Equity II	**2.37**	**25.41**	**2.37**	**11.15**	**-3.91**	**8.73**	**26.77**	**-43.15**	**N/A**
MSCI ACW Ex US Index (Gross)	3.49	29.48	3.49	13.61	-0.38	11.60	42.14	-45.24	17.12
Difference	-1.12	-4.07	-1.12	-2.46	-3.53	-2.87	-15.37	2.09	N/A
State Street EAFE Growth Strategy	**2.32**	**28.62**	**2.32**	**12.82**	**-2.09**	**12.40**	**29.32**	**-41.95**	**N/A**
MSCI EAFE Growth Index (Gross)	2.30	28.68	2.30	12.88	-2.16	12.60	29.90	-42.46	16.84
Difference	0.02	-0.06	0.02	-0.06	0.07	-0.20	-0.58	0.51	N/A
Principal International Small Cap Equity	**4.01**	**43.67**	**4.01**	**28.34**	**1.20**	**32.34**	**35.98**	**-49.67**	**N/A**
MSCI Wrld Ex US Sm Cap Index (Gross)	3.35	37.49	3.35	22.39	2.91	24.90	51.42	-47.79	3.64
Difference	0.66	6.18	0.66	5.95	-1.71	7.44	-15.44	-1.88	N/A

RVKuhns & ASSOCIATES, INC.

International Equity Performance

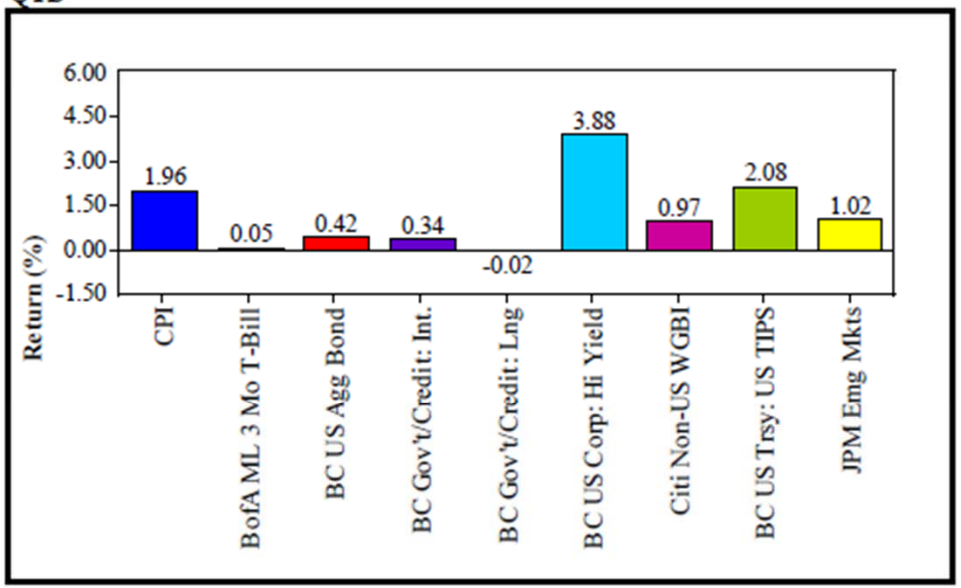
Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	2010	2009	2008	2007
Int'l Emerging Equity Composite	**0.09**	**27.81**	**0.09**	**18.58**	**0.14**	**22.90**	**63.95**	**-54.84**	**32.64**
MSCI Emg Mkts Index (Gross)	2.10	29.52	2.10	18.78	4.62	19.20	79.02	-53.18	39.78
Difference	-2.01	-1.71	-2.01	-0.20	-4.48	3.70	-15.07	-1.66	-7.14
Eaton Vance Parametric Strct Emg Mkts Eq	**1.32**	**29.17**	**1.32**	**19.47**	**4.86**	**24.35**	**69.50**	**-50.74**	**N/A**
S&P/IFCI Composite Index	1.70	29.88	1.70	19.51	5.02	20.64	81.03	-53.74	40.28
Difference	-0.38	-0.71	-0.38	-0.04	-0.16	3.71	-11.53	3.00	N/A
Aberdeen Emerging Markets Equity	**-0.05**	**27.39**	**-0.05**	**22.35**	**N/A**	**29.05**	**N/A**	**N/A**	**N/A**
MSCI Emg Mkts Index (Gross)	2.10	29.52	2.10	18.78	4.62	19.20	79.02	-53.18	39.78
Difference	-2.15	-2.13	-2.15	3.57	N/A	9.85	N/A	N/A	N/A
Wellington Emerging Markets Equity	**-1.88**	**25.06**	**-1.88**	**13.55**	**N/A**	**17.23**	**N/A**	**N/A**	**N/A**
MSCI Emg Mkts Index (Gross)	2.10	29.52	2.10	18.78	4.62	19.20	79.02	-53.18	39.78
Difference	-3.98	-4.46	-3.98	-5.23	N/A	-1.97	N/A	N/A	N/A

Fixed Income

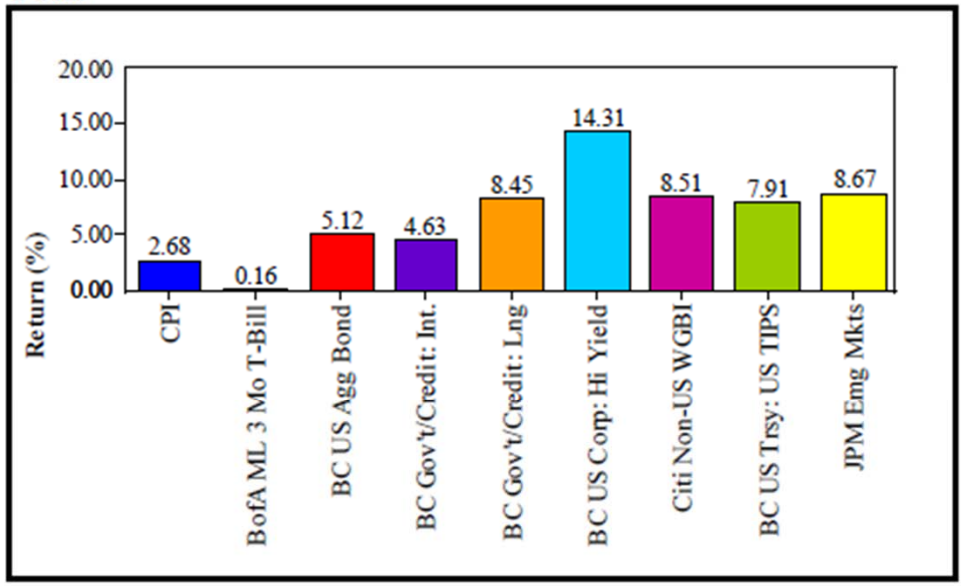
RVKuhns
& ASSOCIATES, INC.

Fixed Income Market Performance

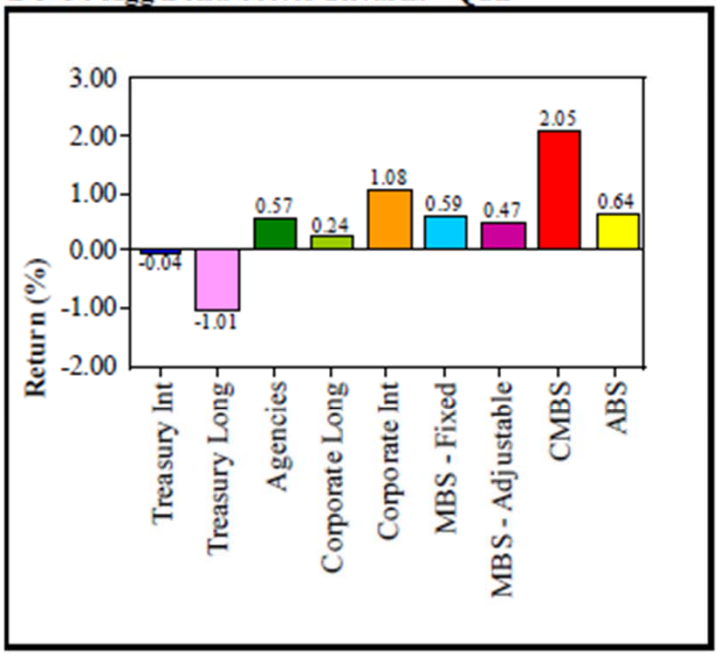
QTD



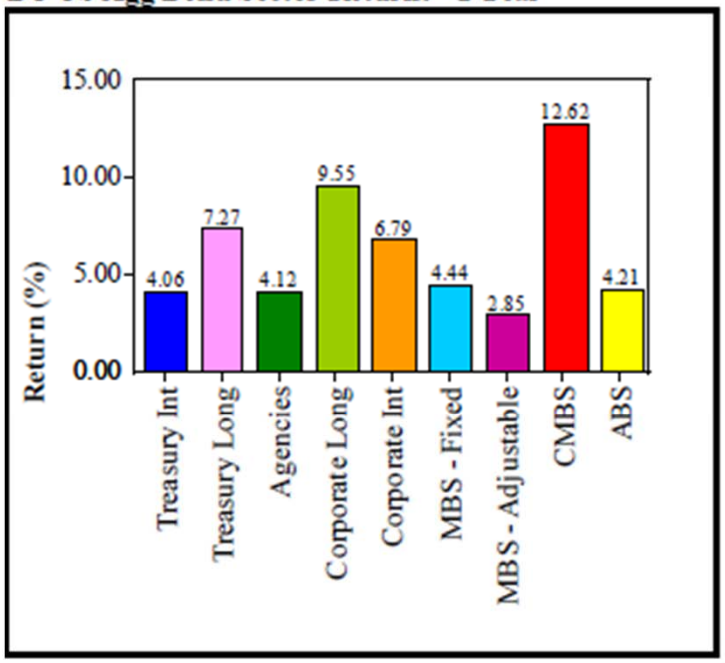
1 Year



BC US Agg Bond Sector Returns - QTD

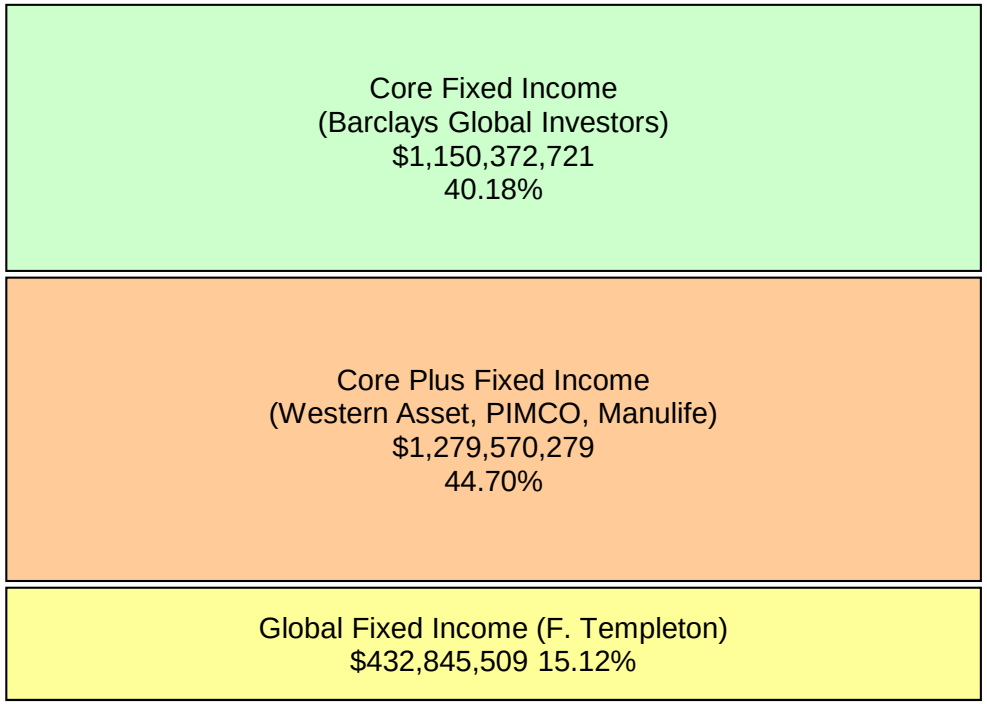


BC US Agg Bond Sector Returns - 1 Year



RVKuhns & ASSOCIATES, INC.

Fixed Income Asset Allocation



Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Fixed Income Composite	**1.18**	**4.49**	**1.18**	**7.46**	**6.72**	**6.07**	**5.76**	**6.41**	**9.21**	**14.36**	**-4.19**	**5.23**	**5.17**	**2.92**	**4.92**	**5.35**	**8.98**	**8.55**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.76	2.92	0.76	2.34	1.42	0.04	0.20	0.21	2.67	8.43	-9.43	-1.74	0.84	0.49	0.58	1.25	-1.27	0.11

- The Fixed Income Composite outperformed the BC US Aggregate Bond Index by 72 basis points, net of fees, for the quarter, returning 1.14% vs. 0.42%.

The Manulife account is currently in transition; therefore the market value for BlackRock Manulife Transition Account was used as an approximation for allocation purposes.

RVKuhns & ASSOCIATES, INC.

Fixed Income Performance

The **Total Fixed Income Composite** outperformed the benchmark (+0.76%) in the quarter ending March 31, 2011. Core Fixed Income outperformed its benchmark (+0.41%). Global Fixed Income was funded late in March; as such, a full quarter of returns is currently unavailable.

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	3 Years	5 Years	10 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002
Total Fixed Income Composite	**1.18**	**4.49**	**1.18**	**7.46**	**6.72**	**6.07**	**5.76**	**9.21**	**14.36**	**-4.19**	**5.23**	**5.17**	**2.92**	**4.92**	**5.35**	**8.98**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25
Difference	0.76	2.92	0.76	2.34	1.42	0.04	0.20	2.67	8.43	-9.43	-1.74	0.84	0.49	0.58	1.25	-1.27
BlackRock Core Active	**0.56**	**1.79**	**0.56**	**5.19**	**6.89**	**N/A**	**N/A**	**6.61**	**9.90**	**5.75**	**6.22**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25
Difference	0.14	0.22	0.14	0.07	1.59	N/A	N/A	0.07	3.97	0.51	-0.75	N/A	N/A	N/A	N/A	N/A
BlackRock Core Active Historical Returns	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**2.32**	**4.22**	**4.90**	**11.01**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.11	-0.12	0.80	0.76
Western Asset Management US Core Full	**1.06**	**4.48**	**1.06**	**8.41**	**7.05**	**6.32**	**N/A**	**10.66**	**13.92**	**-4.48**	**5.33**	**5.98**	**3.55**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25
Difference	0.64	2.91	0.64	3.29	1.75	0.29	N/A	4.12	7.99	-9.72	-1.64	1.65	1.12	N/A	N/A	N/A
PIMCO Total Return Full Authority	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	1.57	0.42	5.12	5.30	6.03	5.56	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
F. Templeton Global Multi-Sector Plus	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC Multiverse Index	1.35	7.50	1.35	7.40	4.19	7.02	7.13	5.84	8.04	3.76	9.23	6.92	-4.15	9.44	13.24	16.05
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

RVKuhns & ASSOCIATES, INC.

Alternative Assets

Alternatives Performance

- In accordance with the Investment Policy, alternative asset managers are shown against both their standard benchmark as well as their alternate benchmark to provide the Committee with additional comparison.

Period ending March 31, 2011	QTD	FYTD	CYTD	1 Year	2 Years	3 Years	2010	2009	2008
Alternative Assets Composite (Net)	**4.20**	**15.24**	**4.20**	**13.33**	**17.97**	**2.97**	**12.59**	**16.00**	**-22.61**
3 Month LIBOR Index + 4%	1.06	3.27	1.06	4.35	4.42	5.10	4.34	4.75	7.06
Difference	3.14	11.97	3.14	8.98	13.55	-2.13	8.25	11.25	-29.67
Absolute Return Composite (Net)	**2.58**	**10.14**	**2.58**	**8.01**	**18.07**	**2.87**	**9.46**	**26.15**	**-26.04**
HFRI FOF Comp Index	0.82	7.88	0.82	5.09	8.80	-0.82	5.70	11.47	-21.37
Difference	1.76	2.26	1.76	2.92	9.27	3.69	3.76	14.68	-4.67
Absolute Return Composite (Net)	**2.58**	**10.14**	**2.58**	**8.01**	**18.07**	**2.87**	**9.46**	**26.15**	**-26.04**
3 Month LIBOR Index + 4%	1.06	3.27	1.06	4.35	4.42	5.10	4.34	4.75	7.06
Difference	1.52	6.87	1.52	3.66	13.65	-2.23	5.12	21.40	-33.10
Real Estate Composite (Net)	**5.33**	**26.57**	**5.33**	**20.39**	**19.17**	**5.53**	**20.46**	**-7.14**	**-4.64**
Real Estate Custom Index	4.68	18.12	4.68	20.55	17.94	1.82	19.40	-2.89	-11.19
Difference	0.65	8.45	0.65	-0.16	1.23	3.71	1.06	-4.25	6.55
Private Equity Composite (Net)	**5.03**	**11.79**	**5.03**	**15.39**	**16.85**	**3.79**	**17.56**	**3.24**	**-13.06**
Private Equity Custom Index	5.03	11.79	5.03	15.39	16.85	3.79	17.56	3.24	-13.06
Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Equity Composite (Net)	**5.03**	**11.79**	**5.03**	**15.39**	**16.85**	**3.79**	**17.56**	**3.24**	**-13.06**
R 3000 Index + 3%	7.65	35.10	7.65	20.41	36.81	6.64	19.93	31.34	-34.31
Difference	-2.62	-23.31	-2.62	-5.02	-19.96	-2.85	-2.37	-28.10	21.25
Real Assets Composite (Net)	**6.63**	**24.63**	**6.63**	**20.93**	**6.17**	**-0.52**	**12.10**	**-15.18**	**-5.54**
Real Assets Custom Index	10.14	21.23	10.14	20.36	16.94	2.46	15.18	-3.64	-4.47
Difference	-3.51	3.40	-3.51	0.57	-10.77	-2.98	-3.08	-11.54	-1.07
Real Assets Composite (Net)	**6.63**	**24.63**	**6.63**	**20.93**	**6.17**	**-0.52**	**12.10**	**-15.18**	**-5.54**
Consumer Price Index + 6%	3.23	7.05	3.23	8.68	8.50	7.53	7.50	8.72	6.09
Difference	3.40	17.58	3.40	12.25	-2.33	-8.05	4.60	-23.90	-11.63

RVKuhns & ASSOCIATES, INC.

Allocation by Manager

RVKuhns
& ASSOCIATES, INC.

Asset Allocation as of March 31, 2011

Asset Allocation by Asset Class
March 31, 2011 : $12,190,127,954

	Market Value ($)	Allocation (%)
Domestic Equity Composite	3,556,847,382	29.18
Int'l Equity Composite	3,344,597,974	27.44
Total Fixed Income Composite	2,875,369,419	23.59
Cash Equivalent Composite	55,482,331	0.46
Absolute Return Composite	1,129,478,726	9.27
Private Equity Composite	355,293,078	2.91
Real Estate Composite	288,885,676	2.37
Real Assets Composite	515,411,072	4.23
STO Cash Balance	68,762,295	0.56

Asset Allocation by Pool
March 31, 2011 : $12,190,127,954

	Market Value ($)	Allocation (%)
PERA Pool	11,963,662,980	98.14
Judicial Pool	78,452,703	0.64
PERA STO-REPO	64,391,346	0.53
Volunteer Firefighters' Pool	47,408,578	0.39
Magistrates' Pool	31,841,398	0.26
Magistrates' STO-REPO	1,982,065	0.02
Judicial STO-REPO	1,981,936	0.02
Volunteer Firefighters' STO-REPO	406,947	-

The negative value for F. Templeton Opp Core Plus (Fiduciary Trust) represents pending transactions following liquidation.

Asset Allocation by Manager - Traditional Assets
March 31, 2011 : $9,832,297,106

	Market Value ($)	Allocation (%)
State Street Russell 1000 Index Fund	1,040,769,253	10.59
Portable Alpha	492,802,365	5.01
CS McKee Value Equity	249,292,274	2.54
INTECH Enhanced Plus	249,004,339	2.53
Northern Trust R 1000 Growth Index	246,336,641	2.51
TimesSquare Capital SMID Cap Growth	242,819,399	2.47
RBC GAM Small Cap Growth	234,605,610	2.39
State Street Russell 2500 Index Fund	234,101,949	2.38
MetWest Small Cap Intrinsic Value Equity	233,635,351	2.38
DFA US Targeted Value	231,947,948	2.36
State Street Beta Overlay	101,532,252	1.03
Northern Trust ACW Ex US Index	1,532,641,429	15.59
State Street International Alpha Select	413,974,843	4.21
Artio International Equity II	251,735,540	2.56
State Street EAFE Growth Strategy	238,628,901	2.43
Eaton Vance Parametric Strct Emg Mkts Eq	210,098,979	2.14
Principal International Small Cap Equity	171,484,345	1.74
MFS International Value Equity	157,240,597	1.60
Aberdeen Emerging Markets Equity	138,981,961	1.41
Wellington Emerging Markets Equity	116,897,895	1.19
Kleinwort Benson Dividend Plus Intl Eq	103,822,492	1.06
Northern Trust EAFE Index	7,983,908	0.08
Credit Suisse ACWI Ex US Transition Account	794,370	0.01
State Street Emerging Markets Index	312,714	-
BlackRock Core Active	1,150,372,721	11.70
PIMCO Total Return Full Authority	530,860,853	5.40
Western Asset Management US Core Full	487,718,355	4.96
F. Templeton Global Multi-Sector Plus	432,845,509	4.40
BlackRock Manulife Transition Account	260,991,072	2.65
Loomis Sayles High Yield Conservative	13,122,016	0.13
BlackRock Transition Account	43,826	-
F. Templeton Opp Core Plus (Fiduciary Trust)	-584,932	-0.01
JP Morgan STIF	55,290,541	0.56
Corporate Action Clearing Account	191,790	-

Color Legend: Blue = Domestic Equity; Green = Int'l Equity; Red = Fixed Income; Orange = Cash Equivalents

RVKuhns & ASSOCIATES, INC.

Asset Allocation as of March 31, 2011

Asset Allocation by Manager - Absolute Return Composite
March 31, 2011 : $1,129,478,726

	Market Value ($)	Allocation (%)
Angelo Gordon Super Fund LP	53,109,718	4.70
OZ Domestic Partners II, LP	49,956,019	4.42
Eton Park Fund	38,823,644	3.44
Wexford Spectrum Fund, LP	35,738,041	3.16
LIM Asia Multi-Strategy Fund, LP	31,531,098	2.79
Farallon Capital Inst Partners, LP	9,407,156	0.83
Stark Investments, LP	8,234,440	0.73
Satellite Fund II, LP	115,932	0.01
Canyon Value LP	43,507,798	3.85
Silver Point Capital, LP	35,172,208	3.11
Golden Tree Master Fund	31,441,873	2.78
Claren Road Credit Partners LP	31,327,717	2.77
Anchorage Advisors	28,737,167	2.54
JCAM Credit Partners LP	20,407,856	1.81
Golden Tree Multi-Strategy, LP	4,282,231	0.38
Wellington Archipelago, LP	48,695,256	4.31
Diamondback Partners	45,824,344	4.06
Ascend Partners Fund II LP	45,096,875	3.99
Glenview Institutional Partners, LP	38,020,109	3.37
Samlyn Capital, LLC	37,353,808	3.31
TPG-Axon Capital	30,289,186	2.68
Meditor Capital Management	30,262,269	2.68
Capula Global Relative Value	25,431,619	2.25
Taconic Cap Advisors	39,429,744	3.49
York Capital Management, LP	39,162,960	3.47
Davidson Kempner Inst. Partners	37,729,391	3.34
Mason Capital, LP	33,102,753	2.93
Paulson Advantage, LP	27,636,071	2.45
Pershing Square LP	24,505,667	2.17
Elliot Associates, LP	12,557,701	1.11
Castlerigg Partners, LP	2,813,195	0.25
King Street Capital, LP	55,314,346	4.90
Marathon LP	38,726,238	3.43
Brevan Howard	36,892,700	3.27
Bluetrend Fund LP	20,629,721	1.83
Lynx Ltd Class D	19,182,836	1.70
Comac Global Macro Fund	19,029,040	1.68

Color Legend: Blue = Multistrategy; Green = Credit; Red = Equity Long/Short; Orange = Event Driven; Light Blue = Distressed; Yellow = Global Macro.

Asset Allocation by Manager - Private Equity Composite
March 31, 2011 : $355,293,078

	Market Value ($)	Allocation (%)
TPG Asia V	15,981,348	4.50
CVC European Partners V, LP	15,955,765	4.49
Coller International	15,420,933	4.34
Nordic Cap Partners VII	13,720,351	3.86
Charterhouse Capital IX	5,154,134	1.45
OCM Opportunities Fund VII B, LP	33,116,683	9.32
Wayzata Opp Fund II, LP	31,097,041	8.75
Cerberus Inst Partners	26,705,735	7.52
OCM Opportunities Fund VIII, LP	12,808,141	3.60
OCM Opportunities Fund VII, LP	12,533,936	3.53
Hig Bayside Fund II	3,068,916	0.86
Carlyle Partners V, LP	19,708,987	5.55
Hellman & Freidman Cap Ptnr VI	18,801,719	5.29
Providence Equity Ptnr VI	18,669,861	5.25
KRG Capital Partners	13,455,563	3.79
TPG Partners VI, LP	12,067,563	3.40
Kelso Invt VIII, LP	9,324,340	2.62
Jordan Resolute Fund II	7,638,369	2.15
Sun Capital Partners V	7,517,984	2.12
Madison Dearborn VI	6,177,943	1.74
ONEX Partners III	5,875,855	1.65
Lincolnshire Equity IV, LP	3,142,501	0.88
JMI Equity VI, LP	17,473,819	4.92
TCV Fund VII, LP	14,759,211	4.15
New Enterprise Associates LP 13	6,491,386	1.83
IVP XIII	5,000,000	1.41
Draper Fisher Jurvetson Fund X, LP	1,990,844	0.56
JMI Equity VII, LP	1,634,151	0.46

Color Legend: Blue = Non-US; Green = Distressed; Red = Buyouts; Orange = Venture Capital.

RVKuhns & ASSOCIATES, INC.

Asset Allocation as of March 31, 2011

Asset Allocation by Manager - Real Estate Composite

March 31, 2011 : $288,885,676

	Market Value ($)	Allocation (%)
Selene Residential Opportunity Fund	26,388,111	9.13
Carlyle Realty Partners V	22,239,426	7.70
Starwood VIII	15,171,945	5.25
Walton Street RE Fund VI	13,489,540	4.67
Praedium Fund VII	4,117,417	1.43
Morgan Stanley RE Fund VII	2,539,437	0.88
Blackstone RE Partners Europe III	1,490,859	0.52
BPG Investment VIII LP	9,167,728	3.17
Rockwood Capital RE VIII	7,154,184	2.48
LaSalle Investment Management	85,891,873	29.73
Morgan Stanley Institutional Global RE	76,067,984	26.33
BlackRock REIT	25,000,000	8.65
Wellington Management	167,172	0.06

Color Legend: Blue = Opportunistic; Green = Value Added; Red = REITs.

Asset Allocation by Manager - Real Assets Composite

March 31, 2011 : $515,411,072

	Market Value ($)	Allocation (%)
State Street Commodities	253,522,499	49.19
Barclays Global Investors TIPS	160,922,692	31.22
Riverstone Energy IV	21,089,461	4.09
NGP Fund IX	20,644,037	4.01
Encap Energy Capital Fund VII	17,736,521	3.44
First Reserve XII	11,801,379	2.29
River/Carlyle ENGY Fd II	10,920,469	2.12
Lime Rock Partners V	7,213,584	1.40
Quantum Energy IV	5,130,630	1.00
Enervest Energy Institutional Fund	3,720,929	0.72
Kayne Anderson V	1,252,815	0.24
Quantum Energy Partners V	729,312	0.14
Encap Energy Capital Fund VIII	726,744	0.14

Color Legend: Blue = Commodities; Green = TIPS; Red = Energy.

RVKuhns & ASSOCIATES, INC.

Performance Tables

RVKuhns
& ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
TOTAL FUND																	
NM PERA Total Fund	**4.05**	**4.05**	**13.74**	**1.73**	**2.80**	**5.63**	**7.75**	**13.90**	**21.56**	**-31.96**	**7.25**	**14.96**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
Total Fund Interim Custom Index	3.53	3.53	12.33	3.40	4.47	5.60	7.20	11.99	22.76	-26.48	8.45	14.31	7.06	10.44	21.16	-8.27	-5.42
Difference	0.52	0.52	1.41	-1.67	-1.67	0.03	0.55	1.91	-1.20	-5.48	-1.20	0.65	1.40	1.23	-0.32	3.23	3.65
All Public Plans > $2B	3.89	3.89	13.93	3.36	4.47	6.22	7.72	13.56	19.37	-27.03	8.63	14.36	7.99	12.41	23.44	-8.57	-4.38
Percentile Rank	37	37	52	93	99	80	47	41	37	99	83	37	41	67	72	23	23
NM PERA Total Fund (Net)	**4.02**	**4.02**	**13.60**	**N/A**	**N/A**	**N/A**	**N/A**	**13.75**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
NM PERA Total Fund Ex Alternatives	**4.01**	**4.01**	**14.00**	**1.76**	**2.77**	**5.62**	**7.74**	**14.31**	**22.08**	**-32.55**	**7.21**	**14.95**	**8.46**	**11.67**	**20.84**	**-5.04**	**-1.77**
Total Fund Ex Alternatives Blended Index	3.56	3.56	12.57	3.83	4.74	5.74	7.29	12.50	23.86	-26.56	8.49	14.31	7.06	10.44	21.16	-8.27	-5.42
Difference	0.45	0.45	1.43	-2.07	-1.97	-0.12	0.45	1.81	-1.78	-5.99	-1.28	0.64	1.40	1.23	-0.32	3.23	3.65
All Public Plans > $2B	3.89	3.89	13.93	3.36	4.47	6.22	7.72	13.56	19.37	-27.03	8.63	14.36	7.99	12.41	23.44	-8.57	-4.38
Percentile Rank	44	44	45	92	99	85	48	20	32	99	83	37	41	67	72	23	23
NM PERA Total Fund Ex Alternatives (Net)	**3.97**	**3.97**	**13.83**	**N/A**	**N/A**	**N/A**	**N/A**	**14.13**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
EQUITY																	
Total Equity Composite	**5.29**	**5.29**	**17.52**	**0.46**	**1.93**	**5.33**	**N/A**	**17.08**	**28.75**	**-42.19**	**8.11**	**19.58**	**11.22**	**15.32**	**30.59**	**-16.41**	**-9.49**
R 3000 / MSCI ACW Ex US Blended Index	5.26	5.26	16.03	2.06	3.38	5.27	6.69	14.96	33.62	-40.35	9.11	19.93	9.18	15.26	34.19	-19.23	-15.27
Difference	0.03	0.03	1.49	-1.60	-1.45	0.06	N/A	2.12	-4.87	-1.84	-1.00	-0.35	2.04	0.06	-3.60	2.82	5.78
Global Equity (SA+CF)	4.64	4.64	14.77	1.38	3.43	6.50	8.14	13.15	32.88	-40.71	11.48	22.06	12.94	16.63	34.70	-16.79	-13.54
Percentile Rank	29	29	26	63	75	71	N/A	22	70	60	71	73	64	62	75	49	36
Total Equity Composite (Net)	**5.25**	**5.25**	**17.33**	**N/A**	**N/A**	**N/A**	**N/A**	**16.89**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DOMESTIC EQUITY																	
Domestic Equity Composite	**7.59**	**7.59**	**22.04**	**4.09**	**3.13**	**5.32**	**8.49**	**21.24**	**27.74**	**-39.04**	**5.43**	**15.85**	**6.95**	**13.24**	**28.97**	**-16.82**	**-6.44**
R 3000 Index	6.38	6.38	17.41	3.42	2.95	4.13	7.06	16.93	28.34	-37.31	5.14	15.72	6.12	11.95	31.06	-21.54	-11.46
Difference	1.21	1.21	4.63	0.67	0.18	1.19	1.43	4.31	-0.60	-1.73	0.29	0.13	0.83	1.29	-2.09	4.72	5.02
All Public Plans-US Equity Segment	6.53	6.53	18.60	3.73	2.73	4.73	7.26	18.13	28.81	-37.51	5.52	14.95	6.99	12.47	32.28	-20.37	-8.12
Percentile Rank	8	8	8	43	38	31	18	7	67	78	53	30	55	43	87	10	33
Domestic Equity Composite (Net)	**7.55**	**7.55**	**21.84**	**N/A**	**N/A**	**N/A**	**N/A**	**21.04**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Domestic Equity Composite Ex PA	**7.27**	**7.27**	**21.30**	**5.10**	**3.89**	**5.70**	**8.76**	**20.34**	**29.17**	**-36.95**	**5.66**	**15.85**	**6.95**	**13.24**	**28.97**	**-16.82**	**-6.44**
R 3000 Index	6.38	6.38	17.41	3.42	2.95	4.13	7.06	16.93	28.34	-37.31	5.14	15.72	6.12	11.95	31.06	-21.54	-11.46
Difference	0.89	0.89	3.89	1.68	0.94	1.57	1.70	3.41	0.83	0.36	0.52	0.13	0.83	1.29	-2.09	4.72	5.02
US Equity (SA+CF)	7.05	7.05	20.60	5.60	4.09	6.69	9.19	19.34	31.25	-36.97	6.61	15.15	8.33	14.67	33.50	-19.91	-5.75
Percentile Rank	46	46	48	55	54	59	59	47	58	50	57	43	62	58	73	38	52
Domestic Equity Composite Ex PA (Net)	**7.22**	**7.22**	**21.05**	**N/A**	**N/A**	**N/A**	**N/A**	**20.09**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DOMESTIC LARGE CAP EQUITY																	
Domestic Large Cap Equity Composite	**7.01**	**7.01**	**19.46**	**2.05**	**2.24**	**3.82**	**6.98**	**18.97**	**26.73**	**-41.01**	**6.10**	**15.71**	**6.23**	**11.87**	**28.92**	**-20.23**	**-8.75**
R 1000 Index	6.24	6.24	16.70	2.98	2.93	3.83	7.06	16.10	28.43	-37.60	5.77	15.46	6.27	11.40	29.89	-21.65	-12.45
Difference	0.77	0.77	2.76	-0.93	-0.69	-0.01	-0.08	2.87	-1.70	-3.41	0.33	0.25	-0.04	0.47	-0.97	1.42	3.70
US Large Cap Equity (SA+CF)	6.18	6.18	15.67	3.22	3.28	4.63	8.29	14.95	27.67	-36.69	7.07	15.49	7.36	12.11	29.45	-21.08	-10.04
Percentile Rank	28	28	20	72	76	71	79	15	54	85	57	48	63	53	55	44	45
Domestic Large Cap Equity Composite (Net)	**6.99**	**6.99**	**19.37**	**N/A**	**N/A**	**N/A**	**N/A**	**18.88**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Domestic Large Cap Equity Composite Ex PA	**6.31**	**6.31**	**17.41**	**1.53**	**2.13**	**3.76**	**6.94**	**16.81**	**23.54**	**-38.50**	**6.44**	**15.71**	**6.23**	**11.87**	**28.92**	**-20.23**	**-8.75**
R 1000 Index	6.24	6.24	16.70	2.98	2.93	3.83	7.06	16.10	28.43	-37.60	5.77	15.46	6.27	11.40	29.89	-21.65	-12.45
Difference	0.07	0.07	0.71	-1.45	-0.80	-0.07	-0.12	0.71	-4.89	-0.90	0.67	0.25	-0.04	0.47	-0.97	1.42	3.70
US Large Cap Equity (SA+CF)	6.18	6.18	15.67	3.22	3.28	4.63	8.29	14.95	27.67	-36.69	7.07	15.49	7.36	12.11	29.45	-21.08	-10.04
Percentile Rank	46	46	32	78	78	72	80	29	73	70	55	48	63	53	55	44	45
Domestic Large Cap Equity Composite Ex PA (Net)	**6.29**	**6.29**	**17.29**	**N/A**	**N/A**	**N/A**	**N/A**	**16.68**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
CS McKee Value Equity	**6.53**	**6.53**	**17.87**	**2.36**	**N/A**	**N/A**	**N/A**	**17.27**	**23.83**	**-35.76**	**5.99**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Value Index	6.46	6.46	15.15	0.60	1.37	4.53	7.68	15.51	19.69	-36.85	-0.17	22.25	7.05	16.49	30.03	-15.52	-5.59
Difference	0.07	0.07	2.72	1.76	N/A	N/A	N/A	1.76	4.14	1.09	6.16	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Large Cap Equity (SA+CF)	6.43	6.43	15.10	2.75	2.76	5.50	8.84	14.37	25.26	-35.72	3.56	19.13	8.36	15.40	30.72	-16.86	-1.58
Percentile Rank	47	47	19	57	N/A	N/A	N/A	19	58	51	31	N/A	N/A	N/A	N/A	N/A	N/A
CS McKee Value Equity (Net)	**6.45**	**6.45**	**17.40**	**2.08**	**N/A**	**N/A**	**N/A**	**16.76**	**23.57**	**-35.85**	**5.79**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
State Street Russell 1000 Index Fund	**6.25**	**6.25**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 1000 Index	6.24	6.24	16.70	2.98	2.93	3.83	7.06	16.10	28.43	-37.60	5.77	15.46	6.27	11.40	29.89	-21.65	-12.45
Difference	0.01	0.01	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF)	6.25	6.25	15.62	2.98	3.13	4.20	7.50	14.86	26.38	-36.47	6.39	15.78	6.72	11.79	28.78	-21.25	-10.80
Percentile Rank	52	52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State Street Russell 1000 Index Fund (Net)	**6.24**	**6.24**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
INTECH Enhanced Plus	**6.62**	**6.62**	**16.79**	**2.85**	**2.84**	**N/A**	**N/A**	**15.65**	**25.02**	**-36.59**	**7.40**	**14.70**	**9.29**	**N/A**	**N/A**	**N/A**	**N/A**
S&P 500 Index (Cap Wtd)	5.92	5.92	15.65	2.35	2.62	3.29	6.80	15.06	26.46	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10	-11.89
Difference	0.70	0.70	1.14	0.50	0.22	N/A	N/A	0.59	-1.44	0.41	1.91	-1.09	4.38	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF)	6.25	6.25	15.62	2.98	3.13	4.20	7.50	14.86	26.38	-36.47	6.39	15.78	6.72	11.79	28.78	-21.25	-10.80
Percentile Rank	37	37	28	54	60	N/A	N/A	32	61	53	39	69	25	N/A	N/A	N/A	N/A
INTECH Enhanced Plus (Net)	**6.60**	**6.60**	**16.47**	**2.69**	**2.71**	**N/A**	**N/A**	**15.33**	**24.85**	**-36.62**	**7.30**	**14.59**	**9.17**	**N/A**	**N/A**	**N/A**	**N/A**
Portable Alpha Composite (Net)	**9.04**	**9.04**	**25.24**	**-2.82**	**N/A**	**N/A**	**N/A**	**25.77**	**18.72**	**-51.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Portable Alpha Custom Index + 3%	6.66	6.66	18.65	-3.02	0.50	3.71	8.04	18.06	0.35	-34.00	8.49	18.79	7.91	13.88	31.68	-19.10	-8.89
Difference	2.38	2.38	6.59	0.20	N/A	N/A	N/A	7.71	18.37	-17.30	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Core/Large Cap Equity (SA+CF)	6.25	6.25	15.62	2.98	3.13	4.20	7.50	14.86	26.38	-36.47	6.39	15.78	6.72	11.79	28.78	-21.25	-10.80
Percentile Rank	4	4	2	97	N/A	N/A	N/A	2	93	100	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Portable Alpha Composite (Net)	**9.04**	**9.04**	**25.24**	**-2.82**	**N/A**	**N/A**	**N/A**	**25.77**	**18.72**	**-51.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Portable Alpha Custom Index	5.92	5.92	15.65	-6.20	-2.61	0.62	4.95	15.06	-2.68	-37.00	5.49	15.79	4.91	10.88	28.68	-22.10	-11.89
Difference	3.12	3.12	9.59	3.38	N/A	N/A	N/A	10.71	21.40	-14.30	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Northern Trust R 1000 Growth Index	**6.03**	**6.03**	**18.36**	**5.46**	**4.50**	**3.11**	**5.90**	**16.84**	**37.63**	**-38.17**	**11.77**	**9.06**	**5.31**	**6.31**	**29.73**	**-27.69**	**-21.23**
R 1000 Growth Blended Index	6.03	6.03	18.26	5.19	4.34	2.99	5.84	16.71	37.22	-38.44	11.81	9.07	5.26	6.30	29.75	-27.88	-20.42
Difference	0.00	0.00	0.10	0.27	0.16	0.12	0.06	0.13	0.41	0.27	-0.04	-0.01	0.05	0.01	-0.02	0.19	-0.81
US Growth/Large Cap Equity (SA+CF)	5.84	5.84	17.49	4.54	4.01	4.14	8.13	16.06	34.13	-38.43	12.96	9.34	7.39	9.28	28.88	-24.66	-16.38
Percentile Rank	44	44	41	35	41	72	92	43	31	48	58	54	68	79	46	71	73
Northern Trust R 1000 Growth Index (Net)	**6.03**	**6.03**	**18.33**	**5.45**	**4.49**	**3.09**	**5.89**	**16.82**	**37.61**	**-38.18**	**11.75**	**9.04**	**5.29**	**6.30**	**29.71**	**-27.70**	**-21.24**
DOMESTIC SMALL/MID CAP EQUITY																	
Domestic Small/Mid Cap Equity Composite	**8.77**	**8.77**	**27.80**	**9.57**	**5.35**	**9.48**	**11.42**	**26.53**	**30.67**	**-32.96**	**3.41**	**15.93**	**9.13**	**17.85**	**30.64**	**-8.74**	**0.95**
R 2500 Index	8.70	8.70	26.11	8.89	4.39	8.85	9.45	26.71	34.39	-36.79	1.38	16.17	8.11	18.29	45.51	-17.80	1.22
Difference	0.07	0.07	1.69	0.68	0.96	0.63	1.97	-0.18	-3.72	3.83	2.03	-0.24	1.02	-0.44	-14.87	9.06	-0.27
US Small/Mid Cap Equity (SA+CF)	9.03	9.03	28.14	9.49	5.45	9.78	10.83	27.26	35.49	-37.94	7.57	14.27	9.86	18.04	43.51	-16.17	0.46
Percentile Rank	56	56	52	50	52	58	42	56	73	20	66	37	58	53	98	21	50
Domestic Small/Mid Cap Equity Composite (Net)	**8.66**	**8.66**	**27.31**	**N/A**	**N/A**	**N/A**	**N/A**	**26.04**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
State Street Russell 2500 Index Fund	**8.64**	**8.64**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2500 Index	8.70	8.70	26.11	8.89	4.39	8.85	9.45	26.71	34.39	-36.79	1.38	16.17	8.11	18.29	45.51	-17.80	1.22
Difference	-0.06	-0.06	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Small/Mid Cap Equity (SA+CF)	9.03	9.03	28.14	9.49	5.45	9.78	10.83	27.26	35.49	-37.94	7.57	14.27	9.86	18.04	43.51	-16.17	0.46
Percentile Rank	58	58	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State Street Russell 2500 Index Fund (Net)	**8.64**	**8.64**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
TimesSquare Capital SMID Cap Growth	**9.37**	**9.37**	**30.13**	**12.33**	**8.80**	**N/A**	**N/A**	**25.73**	**45.69**	**-35.97**	**16.70**	**13.78**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2500 Growth Index	9.83	9.83	30.07	9.67	5.25	7.54	6.97	28.86	41.65	-41.50	9.69	12.26	8.17	14.59	46.31	-29.09	-10.83
Difference	-0.46	-0.46	0.06	2.66	3.55	N/A	N/A	-3.13	4.04	5.53	7.01	1.52	N/A	N/A	N/A	N/A	N/A
US Small/Mid Cap Growth (SA+CF)	9.88	9.88	31.24	10.31	6.06	9.20	10.54	29.55	38.26	-41.63	14.97	11.29	9.97	13.45	45.47	-24.48	-13.44
Percentile Rank	61	61	62	30	19	N/A	N/A	75	31	10	43	36	N/A	N/A	N/A	N/A	N/A
TimesSquare Capital SMID Cap Growth (Net)	**9.17**	**9.17**	**28.76**	**11.14**	**7.78**	**N/A**	**N/A**	**24.37**	**43.94**	**-36.53**	**16.13**	**12.76**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DFA US Targeted Value	**8.17**	**8.17**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Value Index	6.60	6.60	20.63	6.76	2.23	9.01	9.95	24.50	20.58	-28.92	-9.78	23.48	4.71	22.25	46.03	-11.43	14.03
Difference	1.57	1.57	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Small Cap Equity (SA+CF)	7.60	7.60	25.54	10.03	5.28	11.87	12.86	27.69	33.83	-32.88	-2.49	18.61	8.09	22.20	45.38	-9.21	18.78
Percentile Rank	38	38	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DFA US Targeted Value (Net)	**8.07**	**8.07**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MetWest Small Cap Intrinsic Value Equity	**7.55**	**7.55**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Value Index	6.60	6.60	20.63	6.76	2.23	9.01	9.95	24.50	20.58	-28.92	-9.78	23.48	4.71	22.25	46.03	-11.43	14.03
Difference	0.95	0.95	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Value/Small Cap Equity (SA+CF)	7.60	7.60	25.54	10.03	5.28	11.87	12.86	27.69	33.83	-32.88	-2.49	18.61	8.09	22.20	45.38	-9.21	18.78
Percentile Rank	52	52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MetWest Small Cap Intrinsic Value Equity (Net)	**7.48**	**7.48**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
RBC GAM Small Cap Growth	**10.11**	**10.11**	**30.38**	**12.27**	**4.95**	**N/A**	**N/A**	**27.50**	**33.88**	**-33.42**	**7.38**	**6.73**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 2000 Growth Index	9.24	9.24	31.04	10.16	4.34	6.44	5.12	29.09	34.47	-38.54	7.05	13.35	4.15	14.31	48.54	-30.26	-9.23
Difference	0.87	0.87	-0.66	2.11	0.61	N/A	N/A	-1.59	-0.59	5.12	0.33	-6.62	N/A	N/A	N/A	N/A	N/A
US Growth/Small Cap Equity (SA+CF)	9.99	9.99	32.17	10.27	4.92	8.62	9.72	28.95	36.98	-41.41	10.89	12.37	7.68	13.65	47.97	-26.45	-8.08
Percentile Rank	48	48	63	34	50	N/A	N/A	65	64	9	62	88	N/A	N/A	N/A	N/A	N/A
RBC GAM Small Cap Growth (Net)	**9.97**	**9.97**	**29.54**	**11.75**	**4.53**	**N/A**	**N/A**	**26.65**	**33.25**	**-33.56**	**7.05**	**6.42**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
INTERNATIONAL EQUITY																	
Int'l Equity Composite	**2.93**	**2.93**	**13.19**	**-3.42**	**1.05**	**6.05**	**8.24**	**11.78**	**32.85**	**-46.24**	**12.33**	**25.95**	**19.24**	**20.40**	**36.63**	**-15.00**	**-17.97**
MSCI ACW Ex US Blended Index (Gross)	3.49	3.49	13.61	-0.38	3.78	6.87	5.80	11.60	42.14	-45.24	15.58	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	-0.56	-0.56	-0.42	-3.04	-2.73	-0.82	2.44	0.18	-9.29	-1.00	-3.25	-0.91	5.22	-0.30	-2.54	0.66	3.24
All Public Plans-Intl. Equity Segment	3.25	3.25	13.71	-0.97	3.20	7.34	7.08	12.37	36.33	-44.12	15.02	26.60	15.42	19.85	38.17	-14.08	-18.68
Percentile Rank	64	64	63	95	98	87	22	61	65	81	82	62	21	42	73	63	45
Int'l Equity Composite (Net)	**2.89**	**2.89**	**13.01**	**N/A**	**N/A**	**N/A**	**N/A**	**11.60**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Northern Trust ACW Ex US Index	**3.43**	**3.43**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI ACW Ex US Index (Gross)	3.49	3.49	13.61	-0.38	4.05	7.85	6.25	11.60	42.14	-45.24	17.12	27.16	17.11	21.36	41.41	-14.67	-19.48
Difference	-0.06	-0.06	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Core Equity (SA+CF)	3.49	3.49	13.64	-1.58	2.69	7.68	7.47	11.25	32.83	-43.98	13.16	27.40	16.93	19.63	37.40	-13.87	-17.80
Percentile Rank	55	55	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Northern Trust ACW Ex US Index (Net)	**3.43**	**3.43**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
INTERNATIONAL DEVELOPED EQUITY																	
Int'l Developed Equity Composite	**3.38**	**3.38**	**13.20**	**-3.55**	**N/A**	**N/A**	**N/A**	**10.77**	**28.62**	**-44.36**	**8.98**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Index (Gross)	3.45	3.45	10.90	-2.53	1.78	5.83	5.12	8.21	32.46	-43.06	11.63	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	-0.07	-0.07	2.30	-1.02	N/A	N/A	N/A	2.56	-3.84	-1.30	-2.65	N/A	N/A	N/A	N/A	N/A	N/A
International Equity All (SA+CF)	3.42	3.42	13.96	-0.70	3.06	7.99	7.88	11.75	34.45	-43.30	11.98	27.05	16.31	20.59	39.18	-13.41	-18.33
Percentile Rank	53	53	57	82	N/A	N/A	N/A	59	76	59	71	N/A	N/A	N/A	N/A	N/A	N/A
Int'l Developed Equity Composite (Net)	**3.33**	**3.33**	**13.03**	**N/A**	**N/A**	**N/A**	**N/A**	**10.63**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Kleinwort Benson Dividend Plus Intl Eq	**3.71**	**3.71**	**10.34**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Value Index (Gross)	4.64	4.64	8.82	-2.96	0.98	6.42	6.26	3.81	35.06	-43.68	6.49	31.05	14.39	24.88	45.97	-15.60	-18.20
Difference	-0.93	-0.93	1.52	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Value Equity (SA+CF)	3.56	3.56	12.26	-0.59	3.17	8.58	8.11	9.39	33.52	-40.72	10.39	28.87	15.02	23.23	41.95	-9.45	-13.29
Percentile Rank	48	48	67	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kleinwort Benson Dividend Plus Intl Eq (Net)	**3.66**	**3.66**	**10.17**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
MFS International Value Equity	**2.76**	**2.76**	**11.76**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Value Index (Gross)	4.64	4.64	8.82	-2.96	0.98	6.42	6.26	3.81	35.06	-43.68	6.49	31.05	14.39	24.88	45.97	-15.60	-18.20
Difference	-1.88	-1.88	2.94	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Value Equity (SA+CF)	3.56	3.56	12.26	-0.59	3.17	8.58	8.11	9.39	33.52	-40.72	10.39	28.87	15.02	23.23	41.95	-9.45	-13.29
Percentile Rank	73	73	55	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MFS International Value Equity (Net)	**2.70**	**2.70**	**11.51**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
State Street International Alpha Select	**4.51**	**4.51**	**11.64**	**-3.31**	**N/A**	**N/A**	**N/A**	**8.50**	**26.16**	**-41.73**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Index (Gross)	3.45	3.45	10.90	-2.53	1.78	5.83	5.12	8.21	32.46	-43.06	11.63	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	1.06	1.06	0.74	-0.78	N/A	N/A	N/A	0.29	-6.30	1.33	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Equity (SA+CF)	3.53	3.53	13.69	-0.84	3.47	8.05	8.41	11.65	33.88	-42.93	13.52	27.32	16.61	19.74	38.67	-14.19	-17.86
Percentile Rank	23	23	74	79	N/A	N/A	N/A	74	82	42	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State Street International Alpha Select (Net)	**4.45**	**4.45**	**11.37**	**-3.55**	**N/A**	**N/A**	**N/A**	**8.23**	**25.85**	**-41.89**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Artio International Equity II	**2.37**	**2.37**	**11.15**	**-3.91**	**N/A**	**N/A**	**N/A**	**8.73**	**26.77**	**-43.15**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI ACW Ex US Index (Gross)	3.49	3.49	13.61	-0.38	4.05	7.85	6.25	11.60	42.14	-45.24	17.12	27.16	17.11	21.36	41.41	-14.67	-19.48
Difference	-1.12	-1.12	-2.46	-3.53	N/A	N/A	N/A	-2.87	-15.37	2.09	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Active Equity (SA+CF)	3.53	3.53	13.69	-0.84	3.47	8.05	8.41	11.65	33.88	-42.93	13.52	27.32	16.61	19.74	38.67	-14.19	-17.86
Percentile Rank	79	79	78	86	N/A	N/A	N/A	72	80	52	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Artio International Equity II (Net)	**2.31**	**2.31**	**10.89**	**-4.29**	**N/A**	**N/A**	**N/A**	**8.47**	**26.10**	**-43.50**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
State Street EAFE Growth Strategy	**2.32**	**2.32**	**12.82**	**-2.09**	**N/A**	**N/A**	**N/A**	**12.40**	**29.32**	**-41.95**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI EAFE Growth Index (Gross)	2.30	2.30	12.88	-2.16	2.50	5.15	3.63	12.60	29.90	-42.46	16.84	22.69	13.64	16.48	32.48	-15.77	-24.40
Difference	0.02	0.02	-0.06	0.07	N/A	N/A	N/A	-0.20	-0.58	0.51	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Growth Equity (SA+CF)	3.11	3.11	14.33	-1.15	3.22	6.65	7.45	13.19	36.58	-45.15	17.54	25.29	16.91	18.24	34.91	-17.28	-21.80
Percentile Rank	74	74	67	63	N/A	N/A	N/A	54	75	35	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State Street EAFE Growth Strategy (Net)	**2.32**	**2.32**	**12.79**	**-2.11**	**N/A**	**N/A**	**N/A**	**12.37**	**29.29**	**-41.97**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Principal International Small Cap Equity	**4.01**	**4.01**	**28.34**	**1.20**	**N/A**	**N/A**	**N/A**	**32.34**	**35.98**	**-49.67**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI World Ex US Sm Cap Blended Index (Gross)	3.35	3.35	22.39	2.85	3.81	11.30	6.70	24.90	51.42	-47.78	4.88	25.94	21.87	30.01	58.07	-5.85	-17.03
Difference	0.66	0.66	5.95	-1.65	N/A	N/A	N/A	7.44	-15.44	-1.89	N/A	N/A	N/A	N/A	N/A	N/A	N/A
International Small Cap Equity (SA+CF)	3.35	3.35	22.25	2.66	4.67	11.80	9.88	23.58	45.27	-46.65	8.45	29.64	25.96	29.92	57.18	-5.35	-15.11
Percentile Rank	24	24	10	69	N/A	N/A	N/A	7	78	76	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Principal International Small Cap Equity (Net)	**3.94**	**3.94**	**27.99**	**0.89**	**N/A**	**N/A**	**N/A**	**31.97**	**35.75**	**-49.86**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
EMERGING MARKETS EQUITY																	
Int'l Emerging Equity Composite	**0.09**	**0.09**	**18.58**	**0.14**	**N/A**	**N/A**	**N/A**	**22.90**	**63.95**	**-54.84**	**32.64**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI Emg Mkts Index (Gross)	2.10	2.10	18.78	4.62	11.01	17.13	8.70	19.20	79.02	-53.18	39.78	32.59	34.54	25.95	56.28	-6.00	-2.37
Difference	-2.01	-2.01	-0.20	-4.48	N/A	N/A	N/A	3.70	-15.07	-1.66	-7.14	N/A	N/A	N/A	N/A	N/A	N/A
Emerging Markets Equity (SA+CF)	1.37	1.37	19.19	4.59	10.84	18.00	11.09	20.61	79.08	-54.16	40.35	33.21	36.43	26.14	58.80	-3.91	-1.48
Percentile Rank	73	73	54	93	N/A	N/A	N/A	36	93	60	86	N/A	N/A	N/A	N/A	N/A	N/A
Int'l Emerging Equity Composite (Net)	**-0.03**	**-0.03**	**18.09**	**N/A**	**N/A**	**N/A**	**N/A**	**22.42**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Eaton Vance Parametric Strct Emg Mkts Eq	**1.32**	**1.32**	**19.47**	**4.86**	**N/A**	**N/A**	**N/A**	**24.35**	**69.50**	**-50.74**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
S&P/IFCI Composite Index	1.70	1.70	19.51	5.02	11.66	18.47	9.68	20.64	81.03	-53.74	40.28	35.11	35.19	28.11	57.16	-3.94	1.77
Difference	-0.38	-0.38	-0.04	-0.16	N/A	N/A	N/A	3.71	-11.53	3.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emerging Markets Equity (SA+CF)	1.37	1.37	19.19	4.59	10.84	18.00	11.09	20.61	79.08	-54.16	40.35	33.21	36.43	26.14	58.80	-3.91	-1.48
Percentile Rank	51	51	48	43	N/A	N/A	N/A	29	89	27	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eaton Vance Parametric Strct Emg Mkts Eq (Net)	**1.22**	**1.22**	**19.03**	**4.28**	**N/A**	**N/A**	**N/A**	**23.89**	**68.93**	**-51.03**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Aberdeen Emerging Markets Equity	**-0.05**	**-0.05**	**22.35**	**N/A**	**N/A**	**N/A**	**N/A**	**29.05**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI Emg Mkts Index (Gross)	2.10	2.10	18.78	4.62	11.01	17.13	8.70	19.20	79.02	-53.18	39.78	32.59	34.54	25.95	56.28	-6.00	-2.37
Difference	-2.15	-2.15	3.57	N/A	N/A	N/A	N/A	9.85	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emerging Markets Equity (SA+CF)	1.37	1.37	19.19	4.59	10.84	18.00	11.09	20.61	79.08	-54.16	40.35	33.21	36.43	26.14	58.80	-3.91	-1.48
Percentile Rank	77	77	28	N/A	N/A	N/A	N/A	7	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Aberdeen Emerging Markets Equity (Net)	**-0.14**	**-0.14**	**21.95**	**N/A**	**N/A**	**N/A**	**N/A**	**28.63**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Wellington Emerging Markets Equity	**-1.88**	**-1.88**	**13.55**	**N/A**	**N/A**	**N/A**	**N/A**	**17.23**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
MSCI Emg Mkts Index (Gross)	2.10	2.10	18.78	4.62	11.01	17.13	8.70	19.20	79.02	-53.18	39.78	32.59	34.54	25.95	56.28	-6.00	-2.37
Difference	-3.98	-3.98	-5.23	N/A	N/A	N/A	N/A	-1.97	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Emerging Markets Equity (SA+CF)	1.37	1.37	19.19	4.59	10.84	18.00	11.09	20.61	79.08	-54.16	40.35	33.21	36.43	26.14	58.80	-3.91	-1.48
Percentile Rank	94	94	89	N/A	N/A	N/A	N/A	80	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wellington Emerging Markets Equity (Net)	**-2.07**	**-2.07**	**12.69**	**N/A**	**N/A**	**N/A**	**N/A**	**16.35**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
FIXED INCOME																	
Total Fixed Income Composite	**1.18**	**1.18**	**7.46**	**6.72**	**6.07**	**5.76**	**6.41**	**9.21**	**14.36**	**-4.19**	**5.23**	**5.17**	**2.92**	**4.92**	**5.35**	**8.98**	**8.55**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.76	0.76	2.34	1.42	0.04	0.20	0.21	2.67	8.43	-9.43	-1.74	0.84	0.49	0.58	1.25	-1.27	0.11
All Public Plans-US Fixed Income Segment	0.99	0.99	6.80	6.13	6.29	5.87	N/A	8.29	12.69	-2.81	6.50	4.70	2.53	4.96	5.90	9.61	8.21
Percentile Rank	43	43	43	36	66	54	N/A	31	44	60	85	35	29	52	57	59	44
Total Fixed Income Composite (Net)	**1.14**	**1.14**	**7.31**	**N/A**	**N/A**	**N/A**	**N/A**	**9.06**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DOMESTIC FIXED INCOME																	
Domestic Fixed Income Composite	**1.18**	**1.18**	**7.46**	**6.72**	**6.07**	**5.76**	**6.41**	**9.21**	**14.36**	**-4.19**	**5.23**	**5.17**	**2.92**	**4.92**	**5.35**	**8.98**	**8.55**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.76	0.76	2.34	1.42	0.04	0.20	0.21	2.67	8.43	-9.43	-1.74	0.84	0.49	0.58	1.25	-1.27	0.11
All Public Plans-US Fixed Income Segment	0.99	0.99	6.80	6.13	6.29	5.87	N/A	8.29	12.69	-2.81	6.50	4.70	2.53	4.96	5.90	9.61	8.21
Percentile Rank	43	43	43	36	66	54	N/A	31	44	60	85	35	29	52	57	59	44
Domestic Fixed Income Composite (Net)	**1.14**	**1.14**	**7.31**	**N/A**	**N/A**	**N/A**	**N/A**	**9.06**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
DOMESTIC CORE FIXED INCOME																	
Domestic Core Fixed Income Composite	**0.83**	**0.83**	**6.66**	**6.08**	**N/A**	**N/A**	**N/A**	**8.55**	**11.95**	**-2.76**	**5.41**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.41	0.41	1.54	0.78	N/A	N/A	N/A	2.01	6.02	-8.00	-1.56	N/A	N/A	N/A	N/A	N/A	N/A
US Broad Market Core Fixed Income (SA+CF)	0.63	0.63	5.74	6.19	6.51	5.90	6.51	7.22	9.59	3.37	6.95	4.47	2.73	4.51	4.53	10.28	8.58
Percentile Rank	32	32	21	55	N/A	N/A	N/A	16	27	79	87	N/A	N/A	N/A	N/A	N/A	N/A
Domestic Core Fixed Income Composite (Net)	**0.80**	**0.80**	**6.53**	**N/A**	**N/A**	**N/A**	**N/A**	**8.42**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BlackRock Core Active	**0.56**	**0.56**	**5.19**	**6.89**	**N/A**	**N/A**	**N/A**	**6.61**	**9.90**	**5.75**	**6.22**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.14	0.14	0.07	1.59	N/A	N/A	N/A	0.07	3.97	0.51	-0.75	N/A	N/A	N/A	N/A	N/A	N/A
US Broad Market Core Fixed Income (SA+CF)	0.63	0.63	5.74	6.19	6.51	5.90	6.51	7.22	9.59	3.37	6.95	4.47	2.73	4.51	4.53	10.28	8.58
Percentile Rank	62	62	76	26	N/A	N/A	N/A	80	47	30	73	N/A	N/A	N/A	N/A	N/A	N/A
BlackRock Core Active (Net)	**0.51**	**0.51**	**5.00**	**6.79**	**N/A**	**N/A**	**N/A**	**6.42**	**9.87**	**5.72**	**6.19**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Western Asset Management US Core Full	**1.06**	**1.06**	**8.41**	**7.05**	**6.32**	**N/A**	**N/A**	**10.66**	**13.92**	**-4.48**	**5.33**	**5.98**	**3.55**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	0.64	0.64	3.29	1.75	0.29	N/A	N/A	4.12	7.99	-9.72	-1.64	1.65	1.12	N/A	N/A	N/A	N/A
US Broad Market Core+ Fixed Income (SA+CF)	1.17	1.17	6.99	7.03	6.73	6.42	6.65	8.97	15.09	-2.44	6.17	5.12	2.87	5.20	6.65	9.07	8.47
Percentile Rank	62	62	25	49	69	N/A	N/A	24	56	60	74	21	12	N/A	N/A	N/A	N/A
Western Asset Management US Core Full (Net)	**1.02**	**1.02**	**8.29**	**6.85**	**6.06**	**N/A**	**N/A**	**10.56**	**13.67**	**-5.11**	**5.20**	**5.66**	**3.68**	**N/A**	**N/A**	**N/A**	**N/A**
PIMCO Total Return Full Authority	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC US Agg Bond Index	0.42	0.42	5.12	5.30	6.03	5.56	6.20	6.54	5.93	5.24	6.97	4.33	2.43	4.34	4.10	10.25	8.44
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
US Broad Market Core+ Fixed Income (SA+CF)	1.17	1.17	6.99	7.03	6.73	6.42	6.65	8.97	15.09	-2.44	6.17	5.12	2.87	5.20	6.65	9.07	8.47
Percentile Rank	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PIMCO Total Return Full Authority (Net)	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
GLOBAL FIXED INCOME																	
Global Fixed Income Composite	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC Multiverse Index	1.35	1.35	7.40	4.19	7.02	7.13	N/A	5.84	8.04	3.76	9.23	6.92	-4.15	9.44	13.24	16.05	1.58
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Global Fixed Income Unhedged (SA+CF)	1.49	1.49	8.43	5.07	7.54	7.90	6.86	7.13	11.21	2.30	9.65	6.19	-4.00	10.37	16.55	18.37	0.05
Percentile Rank	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Global Fixed Income Composite (Net)	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
F. Templeton Global Multi-Sector Plus	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BC Multiverse Index	1.35	1.35	7.40	4.19	7.02	7.13	N/A	5.84	8.04	3.76	9.23	6.92	-4.15	9.44	13.24	16.05	1.58
Difference	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Global Fixed Income Unhedged (SA+CF)	1.49	1.49	8.43	5.07	7.54	7.90	6.86	7.13	11.21	2.30	9.65	6.19	-4.00	10.37	16.55	18.37	0.05
Percentile Rank	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
F. Templeton Global Multi-Sector Plus (Net)	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
CASH EQUIVALENTS																	
Cash Equivalent Composite	**0.41**	**0.41**	**6.28**	**2.50**	**3.86**	**5.20**	**5.29**	**6.25**	**1.14**	**0.50**	**6.21**	**6.11**	**14.20**	**2.01**	**7.94**	**5.13**	**4.25**
BofA ML 3 Mo US T-Bill Index	0.05	0.05	0.16	0.51	2.23	2.24	3.29	0.13	0.21	2.06	5.00	4.85	3.07	1.33	1.15	1.78	4.42
Difference	0.36	0.36	6.12	1.99	1.63	2.96	2.00	6.12	0.93	-1.56	1.21	1.26	11.13	0.68	6.79	3.35	-0.17
Cash Equivalent Composite (Net)	**0.40**	**0.40**	**6.18**	**N/A**	**N/A**	**N/A**	**N/A**	**6.10**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
JP Morgan STIF	**0.37**	**0.37**	**6.07**	**2.43**	**N/A**	**N/A**	**N/A**	**6.08**	**1.14**	**0.50**	**6.27**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
BofA ML 3 Mo US T-Bill Index	0.05	0.05	0.16	0.51	2.23	2.24	3.29	0.13	0.21	2.06	5.00	4.85	3.07	1.33	1.15	1.78	4.42
Difference	0.32	0.32	5.91	1.92	N/A	N/A	N/A	5.95	0.93	-1.56	1.27	N/A	N/A	N/A	N/A	N/A	N/A
JP Morgan STIF (Net)	**0.36**	**0.36**	**5.97**	**2.35**	**N/A**	**N/A**	**N/A**	**5.93**	**1.09**	**0.45**	**6.21**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

In November 2010, the JP Morgan STIF account received income representing partial recapture of the write-down on SIGMA Finance assets in the securities lending program. Performance for the month was inflated due to this non-recurring item.

RVKuhns & ASSOCIATES, INC.

Comparative Performance

Period ending March 31, 2011	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	15 Years	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
ALTERNATIVE ASSETS																	
Alternative Assets Composite (Net)	**4.20**	**4.20**	**13.33**	**2.97**	**N/A**	**N/A**	**N/A**	**12.59**	**16.00**	**-22.61**	**5.26**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
3 Month LIBOR Index + 4%	1.06	1.06	4.35	5.10	6.69	6.53	7.60	4.34	4.75	7.06	9.31	9.23	7.63	5.67	5.22	5.79	7.62
Difference	3.14	3.14	8.98	-2.13	N/A	N/A	N/A	8.25	11.25	-29.67	-4.05	N/A	N/A	N/A	N/A	N/A	N/A
Absolute Return Composite (Net)	**2.58**	**2.58**	**8.01**	**2.87**	**N/A**	**N/A**	**N/A**	**9.46**	**26.15**	**-26.04**	**7.36**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
HFRI FOF Comp Index	0.82	0.82	5.09	-0.82	1.60	4.16	6.12	5.70	11.47	-21.37	10.25	10.39	7.49	6.86	11.61	1.02	2.80
Difference	1.76	1.76	2.92	3.69	N/A	N/A	N/A	3.76	14.68	-4.67	-2.89	N/A	N/A	N/A	N/A	N/A	N/A
Absolute Return Composite (Net)	**2.58**	**2.58**	**8.01**	**2.87**	**N/A**	**N/A**	**N/A**	**9.46**	**26.15**	**-26.04**	**7.36**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
3 Month LIBOR Index + 4%	1.06	1.06	4.35	5.10	6.69	6.53	7.60	4.34	4.75	7.06	9.31	9.23	7.63	5.67	5.22	5.79	7.62
Difference	1.52	1.52	3.66	-2.23	N/A	N/A	N/A	5.12	21.40	-33.10	-1.95	N/A	N/A	N/A	N/A	N/A	N/A
Real Estate Composite (Net)	**5.33**	**5.33**	**20.39**	**5.53**	**N/A**	**N/A**	**N/A**	**20.46**	**-7.14**	**-4.64**	**11.04**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Real Estate Custom Index	4.68	4.68	20.55	1.82	N/A	N/A	N/A	19.40	-2.89	-11.19	9.68	N/A	N/A	N/A	N/A	N/A	N/A
Difference	0.65	0.65	-0.16	3.71	N/A	N/A	N/A	1.06	-4.25	6.55	1.36	N/A	N/A	N/A	N/A	N/A	N/A
Private Equity Composite (Net)	**5.03**	**5.03**	**15.39**	**3.79**	**N/A**	**N/A**	**N/A**	**17.56**	**3.24**	**-13.06**	**-5.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Private Equity Custom Index	5.03	5.03	15.39	3.79	N/A	N/A	N/A	17.56	3.24	-13.06	-5.30	N/A	N/A	N/A	N/A	N/A	N/A
Difference	0.00	0.00	0.00	0.00	N/A	N/A	N/A	0.00	0.00	0.00	0.00	N/A	N/A	N/A	N/A	N/A	N/A
Private Equity Composite (Net)	**5.03**	**5.03**	**15.39**	**3.79**	**N/A**	**N/A**	**N/A**	**17.56**	**3.24**	**-13.06**	**-5.30**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
R 3000 Index + 3%	7.65	7.65	20.41	6.64	6.08	7.23	10.16	19.93	31.34	-34.31	8.14	18.72	9.12	14.95	34.06	-18.54	-8.46
Difference	-2.62	-2.62	-5.02	-2.85	N/A	N/A	N/A	-2.37	-28.10	21.25	-13.44	N/A	N/A	N/A	N/A	N/A	N/A
Real Assets Composite (Net)	**6.63**	**6.63**	**20.93**	**-0.52**	**N/A**	**N/A**	**N/A**	**12.10**	**-15.18**	**-5.54**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Real Assets Custom Index	10.14	10.14	20.36	2.46	10.60	21.29	17.63	15.18	-3.64	-4.47	25.01	41.73	84.99	43.24	17.80	13.44	-2.97
Difference	-3.51	-3.51	0.57	-2.98	N/A	N/A	N/A	-3.08	-11.54	-1.07	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Real Assets Composite (Net)	**6.63**	**6.63**	**20.93**	**-0.52**	**N/A**	**N/A**	**N/A**	**12.10**	**-15.18**	**-5.54**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Consumer Price Index + 6%	3.23	3.23	8.68	7.53	8.26	8.41	8.44	7.50	8.72	6.09	10.08	8.54	9.42	9.26	7.88	8.38	7.55
Difference	3.40	3.40	12.25	-8.05	N/A	N/A	N/A	4.60	-23.90	-11.63	N/A	N/A	N/A	N/A	N/A	N/A	N/A

RVKuhns & ASSOCIATES, INC.

Financial Reconciliation
and
Schedule of Investable Assets

RVKuhns
& ASSOCIATES, INC.

Financial Reconciliation and Schedule of Investable Assets

Financial Reconciliation - Quarter To Date

	Market Value As of 12/31/2010	Contributions	Distributions	Fees	Return On Investment	Market Value As of 3/31/2011
NM PERA Total Fund	11,718,744,117	2,438,360,858	-2,505,279,952	-3,773,853	473,314,489	12,121,365,659
NM PERA Total Fund Ex Alternatives	9,539,363,628	2,279,497,092	-2,364,074,412	-3,773,853	381,284,652	9,832,297,106

NM PERA Total Fund - Schedule of Investable Assets - Quarter To Date

Periods	Beginning Market Value ($)	Contributions ($)	Withdrawals ($)	Gain/Loss ($)	Ending Market Value ($)	%Return	Unit Value
QTD	11,718,744,117	2,438,360,858	2,509,053,805	473,314,489	12,121,365,659	4.05	104.05

NM PERA Total Fund Ex Alternatives - Schedule of Investable Assets - Quarter To Date

Periods	Beginning Market Value ($)	Contributions ($)	Withdrawals ($)	Gain/Loss ($)	Ending Market Value ($)	%Return	Unit Value
QTD	9,539,363,628	2,279,497,092	2,367,848,265	381,284,652	9,832,297,106	4.01	104.01

Performance shown is gross of fees.

Fees are representative of traditional assets only.

RVKuhns & ASSOCIATES, INC.

Custom Index Definitions

RVKuhns
& ASSOCIATES, INC.

Custom Index Definitions

Total Fund Interim Custom Index is based on the target allocation and consists of 40% S&P 500 Index, 60% LB Aggregate Bond Index until 08/31/1992; 55% S&P 500 Index, 45% LB Aggregate Bond Index until 08/31/1995; 52.5% S&P 500 Index, 2.5% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 11/30/1995; 50% S&P 500 Index, 5% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 02/29/1996; 45% S&P 500 Index, 10% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 11/30/1997; 45% S&P 500 Index, 15% MSCI EAFE Blend, 40% LB Aggregate Bond Index until 02/28/1999; 42% Russell 3000 Index, 18% MSCI EAFE Blend, 40% LB Aggregate Bond Index until 05/31/1999; 45% Russell 3000 Index, 15% MSCI EAFE Index (Gross), 40% LB Aggregate Bond Index until 06/30/2000; 42% Russell 3000 Index, 18% MSCI EAFE Index (Gross), 40% LB Aggregate Bond Index until 06/30/2005; 40% Russell 3000 Index, 25% MSCI EAFE Index (Gross), 35% LB Aggregate Bond Index until 06/30/2007; 40% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 32% LB Aggregate Bond Index, 3% 3 Mo LIBOR Index + 4% until 11/30/2007; 40% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 31% LB Aggregate Bond Index, 4% 3 Mo LIBOR Index + 4% until 2/29/2008; 40% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 30% BC US Agg Bond Index, 5% 3 Mo LIBOR Index + 4% until 12/31/2008; 38% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 29% BC US Agg Bond Index, 5% LIBOR + 4%, 2% Venture Economics All Private Equity Index lagged one quarter, 0.5% NCREIF Property Index, 0.5% CPI + 5% until 10/31/2009; 35% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 25% BC US Agg Bond Index, 7.5% LIBOR + 4%, 2.5% Venture Economics All Private Equity Index lagged one quarter, 2% NCREIF Property Index, 1% BC US TIPS Index, 1% S&P GSCI Light Energy Index, 1% CPI + 5% until 09/30/2010; and 27% Russell 3000 Index, 27% MSCI ACW Ex US Index (Gross), 26% BC US Agg Bond Index, 10.5% HFRI Fund of Funds Composite Index, 3.5% Private Equity Custom Index, 2% Real Estate Custom Index, and 4% Real Assets Custom Index thereafter.

Long-Term Target Allocation consists of the Total Fund Interim Custom Index until 06/30/2007; 35% Russell 3000 Index, 25% MSCI ACW Ex US Blended Index (Gross), 25% LB Aggregate Bond Index, 5% 3 Mo LIBOR Index + 4%, 5% Venture Economics All Private Equity Index (lagged one quarter), 2.5% NCREIF Property Index, and 2.5% CPI + 5% until 10/31/2009; 35% Russell 3000 Index, 25% MSCI ACW Ex US Blended Index (Gross), 25% BC US Aggregate Bond Index, 5% 3 Mo LIBOR Index + 4%, 5% Venture Economics All Private Equity Index (lagged one quarter), 2.5% NCREIF Property Index, 1% BC US TIPS Index, 1% S&P GSCI Light Energy Index, and 0.5% CPI + 5% until 06/30/2010; and 27% Russell 3000 Index, 27% MSCI ACW Ex US Index (Gross), 26% BC Aggregate Bond Index, 9% HFRI Fund of Funds Composite Index, 5% Private Equity Custom Index, 3% Real Estate Custom Index, and 3% Real Assets Custom Index thereafter.

Total Fund Ex Alternatives Blended Index is based on the target allocation and consists of 40% S&P 500 Index, 60% LB Aggregate Bond Index until 08/31/1992; 55% S&P 500 Index, 45% LB Aggregate Bond Index until 08/31/1995; 52.5% S&P 500 Index, 2.5% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 11/30/1995; 50% S&P 500 Index, 5% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 02/29/1996; 45% S&P 500 Index, 10% MSCI EAFE Blend, 45% LB Aggregate Bond Index until 11/30/1997; 45% S&P 500 Index, 15% MSCI EAFE Blend, 40% LB Aggregate Bond Index until 02/28/1999; 42% Russell 3000 Index, 18% MSCI EAFE Blend, 40% LB Aggregate Bond Index until 05/31/1999; 45% Russell 3000 Index, 15% MSCI EAFE Index (Gross), 40% LB Aggregate Bond Index until 06/30/2000; 42% Russell 3000 Index, 18% MSCI EAFE Index (Gross), 40% LB Aggregate Bond Index until 06/30/2005; 40% Russell 3000 Index, 25% MSCI EAFE Index (Gross), 35% LB Aggregate Bond Index until 06/30/2007; and currently consists of 40% Russell 3000 Index, 25% MSCI ACW Ex US Index (Gross), 35% BC US Agg Bond Index.

Custom Index Definitions

Portable Alpha Custom Benchmark + 3% consists of 100% S&P 500 + 3% until 2/28/09; 100% custom S&P 500 + 3% until 6/30/09; and currently consists of 100% S&P 500 + 3%. The custom S&P 500 was calculated by Cliffwater LLC and an annual rate of 3% was added; the custom S&P 500 + 3% accounts for the defunding of the Beta Overlay program.

Portable Alpha Custom Benchmark consists of 100% S&P 500 until 2/28/09; 100% custom S&P 500 until 6/30/09; and currently consists of 100% S&P 500. The custom S&P 500 was calculated by Cliffwater LLC; the custom S&P 500 accounts for the defunding of the Beta Overlay program.

R 1000 Growth Blended Index consists of 100% BT Large Cap Growth Index until 06/30/99 and 100% Russell 1000 Growth Index thereafter.

MSCI ACW Ex US Blended Index (Gross) consists of 100% MSCI EAFE Index (Gross) until 06/30/2007 and 100% MSCI ACW Ex US Index (Gross) thereafter.

MSCI World Ex US Sm Cap Blended Index (Gross) consists of 100% MSCI World Ex US Sm Cap Provisional Index (Gross) until 06/30/2008 and 100% MSCI World Ex US Sm Cap Index (Gross) thereafter.

R 3000 / MSCI ACW Ex US Blended Index consists of 61.54% R 3000 Index and 38.46% MSCI EAFE Index (Gross) until 6/30/2007 and 61.54% R 3000 Index and 38.46% MSCI ACW Ex US Index (Gross) thereafter.

Real Estate Custom Index consists of 75% NCREIF Property Index + 3% and 25% FTSE NAREIT Equity REITs Total Return Index.

Private Equity Custom Index consists of actual Private Equity Composite performance.

Real Assets Custom Index consists of 75% Cliffwater Private Energy Index lagged one quarter and 25% S&P GSCI Light Energy Index.

Watch List Review
State Street International Alpha Select
March 31, 2011

Funding Date:	*July 2007*	Mandate:	*Developed International Equity*
Current PERA NM Assets: Initial Funding Amount: Net Flows: Benchmark Value Estimate:	*$414 million* *$241 million* *$259 million* *$417 million*	Benchmark:	*MSCI EAFE Index*
% of Asset Class:	*12.4%*	Status:	*Watch as of 12/31/09*

Performance Summary:
As of March 31, 2011

	QTD	CYTD	1 Year	3 Years	2010	2009	2008	Since Inception	Inception Date
State Street International Alpha Select	**4.51**	**4.51**	**11.64**	**-3.31**	**8.50**	**26.16**	**-41.73**	**-4.99**	**08/01/2007**
MSCI EAFE Index (Gross)	3.45	3.45	10.90	-2.53	8.21	32.46	-43.06	-4.00	
Difference	1.06	1.06	0.74	-0.78	0.29	-6.30	1.33	-0.99	
International Active Equity (SA+CF) Median	3.53	3.53	13.69	-0.84	11.65	33.88	-42.93	-2.19	
Percentile Rank	23	23	74	79	74	82	42	84	

NOTE: Inception Date refers to PERA's first full month of performance.

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years
State Street International Alpha Select (With Comp History)	**4.51**	**4.51**	**11.64**	**-3.31**	**1.74**	**7.57**	**7.75**
MSCI EAFE Index (Gross)	3.45	3.45	10.90	-2.53	1.78	6.71	5.83
Difference	1.06	1.06	0.74	-0.78	-0.04	0.86	1.92
International Active Equity (SA+CF) Median	3.53	3.53	13.69	-0.84	3.47	8.26	8.05
Percentile Rank	23	23	74	79	76	66	57

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
State Street International Alpha Select (With Comp History)	**8.50**	**26.16**	**-41.73**	**8.90**	**32.70**	**18.39**	**22.33**	**44.98**	**-12.33**	**-17.80**
MSCI EAFE Index (Gross)	8.21	32.46	-43.06	11.63	26.86	14.02	20.70	39.17	-15.66	-21.21
Difference	0.29	-6.30	1.33	-2.73	5.84	4.37	1.63	5.81	3.33	3.41
International Active Equity (SA+CF) Median	11.65	33.88	-42.93	13.52	27.32	16.61	19.74	38.67	-14.19	-17.86
Percentile Rank	74	82	42	81	14	34	36	21	37	50

Watch List Performance:
As of March 31, 2011

	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
State Street International Alpha Select	**-3.31**	**-7.26**	**-10.46**
MSCI EAFE Index (Gross)	-2.53	-6.55	-9.06
Difference	-0.78	-0.71	-1.40
International Active Equity (SA+CF) Median	-0.84	-4.94	-7.48
Percentile Rank	79	78	82

Discussion

- In the first calendar quarter of 2011, the International Alpha Select strategy outperformed the MSCI EAFE Index by 106 basis points, and ranked in the 23rd percentile in a peer group of international active equity managers.
- During the first calendar quarter, the model had a negative information coefficient (IC), which indicates that the correlation between predicted and realized alpha was negative. Alternatively, the model's alpha ranking did a relatively poor job at forecasting alpha during the quarter. On a factor level, value factors were strong in January and February but lagged in March. Earnings growth and quality, which lagged early in the quarter, rallied in March.
- Because the strategy is benchmark constrained to the EAFE Index, sector and country allocation typically have minimal impact on performance relative to stock selection.
- Stock selection was strongest in consumer staples, financials and health care, and was weakest in materials and information technology. Both of these sectors were affected by Japanese firms; Daicel Chem in materials and Toshiba and Hitachi in information technology. Toshiba and Hitachi both have modest exposure to nuclear power generation. Overall however, Japan had a negligible effect on the portfolio for the quarter.
- We continue to monitor and communicate with SSgA as it pertains to enhancements in their quantitative model. The team is dedicating significant resources to the research of dynamic factor weighting. The goal is to make the models more flexible to different macroeconomic environments as well as respond better to conditions that substantially deviate from long-run norms. They are in the process of reviewing preliminary results to assess the robustness of the methodology and plan to implement them over the coming quarters phased across our various strategies.
- In March of 2011, they announced the addition of Olivia Engel as head of the Australian Active Equity Team reporting to Marc Reinganum, Global Head of Active Developed Equities. The team was previously headed by Anthony Golowenko who will be taking a new position internally.
- As of March 31, 2010, State Street Global Advisors had $2.1 trillion of assets under management, of which $2.9 billion were in International Alpha Select.

Recommendation: We recommend State Street International Alpha Select remain on the Watch List.

Watch List Review
Principal International Small Cap Equity
March 31, 2011

Funding Date:	*December 2007*	Mandate:	*International Small Cap*
Current PERA NM Assets: Initial Funding Amount: Net Flows: Benchmark Value Estimate:	*$171 million* *$190 million* *$2 million* *$188 million*	Benchmark:	*MSCI World ex US Small Cap Blended*
% of Asset Class:	*5.1%*	Status:	*Watch List as of 9/30/2009*

Performance Summary:
As of March 31, 2011

	QTD	CYTD	1 Year	3 Years	2010	2009	2008	Since Inception	Inception Date
Principal International Small Cap Equity	**4.01**	**4.01**	**28.34**	**1.20**	**32.34**	**35.98**	**-49.67**	**-2.97**	**12/01/2007**
MSCI World Ex US Sm Cap Blended Index (Gross)	3.35	3.35	22.39	2.85	24.90	51.42	-47.78	-0.23	
Difference	0.66	0.66	5.95	-1.65	7.44	-15.44	-1.89	-2.74	
International Small Cap Equity (SA+CF) Median	3.35	3.35	22.25	2.66	23.58	45.27	-46.65	-0.68	
Percentile Rank	24	24	10	69	7	78	76	77	

NOTE: Inception Date refers to PERA's first full month of performance.

	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years
Principal International Small Cap Equity (With Comp History)	**4.01**	**4.01**	**28.34**	**1.20**	**3.32**	**11.45**	**11.43**
MSCI World Ex US Sm Cap Blended Index (Gross)	3.35	3.35	22.39	2.85	3.81	9.73	11.30
Difference	0.66	0.66	5.95	-1.65	-0.49	1.72	0.13
International Small Cap Equity (SA+CF) Median	3.35	3.35	22.25	2.66	4.67	10.79	11.80
Percentile Rank	24	24	10	69	65	38	57

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Principal International Small Cap Equity (With Comp History)	**32.34**	**35.98**	**-49.67**	**9.51**	**32.05**	**30.75**	**31.89**	**56.01**	**-14.76**	**-21.22**
MSCI World Ex US Sm Cap Blended Index (Gross)	24.90	51.42	-47.78	4.88	25.94	21.87	30.01	58.07	-5.85	-17.03
Difference	7.44	-15.44	-1.89	4.63	6.11	8.88	1.88	-2.06	-8.91	-4.19
International Small Cap Equity (SA+CF) Median	23.58	45.27	-46.65	8.45	29.64	25.96	29.92	57.18	-5.35	-15.11
Percentile Rank	7	78	76	45	35	33	39	56	93	70

Watch List Performance:
As of March 31, 2011

	3 Years	3 Years Ending Dec-2010	3 Years Ending Sep-2010
Principal International Small Cap Equity (With Comp History)	**1.20**	**-3.25**	**-9.92**
MSCI World Ex US Sm Cap Blended Index (Gross)	2.85	-0.42	-5.95
Difference	-1.65	-2.83	-3.97
International Small Cap Equity (SA+CF) Median	2.66	-1.46	-6.20
Percentile Rank	69	76	81

Discussion:

- The quantitative GRP model has shown signs of improvement. The portfolio outperformed the benchmark in the first calendar quarter of 2011 by 66 basis points. 2010 calendar year returns were also positive; outperforming the index by over 7% and ranking favorably versus peers.
- Although the time period is short, the model enhancements that Principal implemented in January 2010 appear to be working well. The model focuses on identifying companies with improving business fundamentals, rising investor expectations and attractive relative valuations.
- From a sector allocation perspective, consumer discretionary, industrials, and information technology were the largest positive contributors to performance during the first calendar quarter. Energy was the most significant detractor to performance.
- Stock selection was positive in materials, energy and industrials; while it was negative in consumer discretionary. Stock selection was also positive in Australia, Switzerland and United Kingdom.
- Iluka Resources, Baytex Energy and Nrw Holdings were the three biggest individual contributors to performance during the first calendar quarter. Alamos Gold, Equinox Materials and Durfy Ag holdings were the three biggest detractors from performance during the first calendar quarter.
- As the strategy is benchmark constrained relative to the MSCI World ex-US Small Cap Index, both from a country and a sector perspective, stock selection tends to be the predominate factor for performance. The first calendar quarter was no exception and stock selection was the leading contributor to excess returns. Within stock selection, those companies with a positive fundamental profile and attractive relative valuation tended to outperform the market.
- Principal's long term performance was hurt by the relative underperformance experienced in 2008 and 2009. During 2009, the GRP quantitative model faced significant headwinds due to a low quality rally where company fundamentals were overwhelmed by macro considerations. In 2008, market volatility caused many quantitative-based managers to struggle.
- In December 2010, Tim Dunbar, Executive Director of Equities, was promoted to a new executive role with the parent organization. He was replaced by Melinda Hanrahan, as managing director and head of business management, and by Mustafa Sagun, who will continue with his role as Chief Investment Officer responsible for the oversight of the investment process and investment teams. These changes do not directly impact the investment team. There were no changes to the investment team, style or process.
- As of March 31, 2011, Principal had a total of $235 billion AUM and the International Small Cap strategy was $1.7 billion.

Recommendation: Although performance has greatly improved, the strategy still fails both Watch List tests per the Investment Policy effective for the quarter ended March 31, 2011. We recommend continued placement on the Watch List.