

***FRESNO COUNTY EMPLOYEES' RETIREMENT  
ASSOCIATION***

**INVESTMENT PERFORMANCE REVIEW**

PERIOD ENDING: MARCH 31, 2013

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# FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## PORTFOLIO RECONCILIATION

Period Ending: March 31, 2013

<b>TOTAL FUND</b>	
Portfolio Reconciliation	
	<u>YTD</u>
<b>Market Value of Portfolio on: 12/31/12</b>	<b>\$3,356,303,710</b>
Net Contributions/Withdrawals	\$1,644,348
Growth from Investments	
Investment Income	\$15,239,569
Change in Market Value	<u>\$131,932,033</u>
Total Growth from Investments	\$147,171,602
<b>Market Value of Portfolio on: 03/31/13</b>	<b><u><u>\$3,505,119,660</u></u></b>

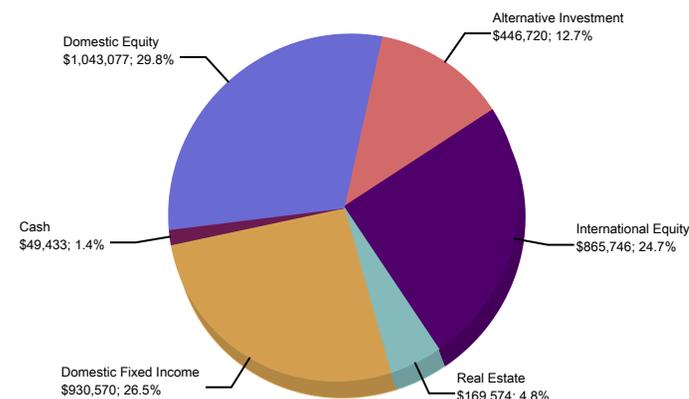
# FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

## EXECUTIVE SUMMARY

Period Ending: March 31, 2013

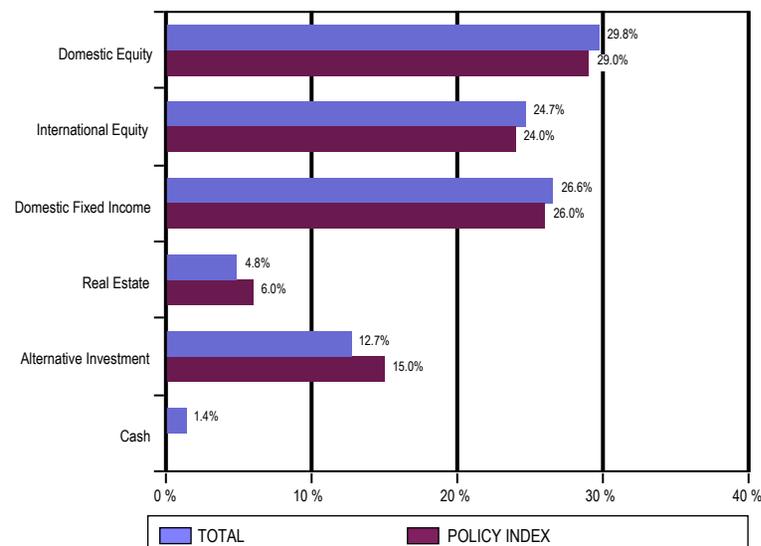
	Market Value		Quarter		One Yr		Three Yrs		Five Yrs		Ten Yrs	
	000.000's	(%)	Rtn	Rnk	Rtn	Rnk	Rtn	Rnk	Rtn	Rnk	Rtn	Rnk
<b>Total</b>												
<b>Total Fund</b>												
TOTAL FUND (G)	3,505.1	100.0%	4.4	62	9.4	75	9.6	44	5.9	22	9.4	19
TOTAL FUND (N)			4.3	64	9.0	78	9.2	57	5.6	31	9.1	24
<b>Policy Index</b>												
POLICY INDEX			5.0	44	9.4	74	9.0	61	4.5	69	8.2	49
<b>Domestic Equity</b>												
<b>Domestic Equity</b>												
TOTAL U.S. EQUITY (G)	1,048.8	29.9%	11.0	49	12.9	57	13.9	29	7.2	45	9.7	67
RUSSELL 3000 INDEX			11.1		14.6		13.0		6.3		9.2	
<b>International Equity</b>												
<b>International Equity</b>												
TOTAL FOREIGN EQUITY (G)	865.8	24.7%	3.2	77	10.5	62	7.5	43	2.0	36	11.3	50
MSCI ACWI ex U.S. GROSS			3.3		8.9		4.9		0.1		11.4	
<b>Domestic Fixed Income</b>												
<b>Domestic Fixed Income</b>												
TOTAL U.S. FIXED (G)	923.5	26.3%	0.5	36	7.4	32	8.2	30	8.7	20	6.6	25
BC AGGREGATE INDEX			-0.1		3.8		5.5		5.5		5.0	
<b>Real Estate</b>												
<b>Real Estate</b>												
TOTAL REALTY (G)	169.6	4.8%	2.4	56	8.5	65	11.1	70	-1.0	49	8.2	42
NCREIF PROPERTY INDEX			2.6		10.5		13.3		2.3		8.5	
NFI-ODCE INDEX			2.7		10.8		15.1		-0.8		6.8	
<b>Alternative Investment</b>												
<b>Hedge Funds</b>												
TOTAL HEDGE FUNDS (N)	122.9	3.5%	3.7		4.6		2.3		0.6		4.3	
HFRI FOF COMPOSITE INDEX			3.3		4.7		2.1		-0.2		3.8	
<b>Private Equity</b>												
TOTAL PRIVATE EQUITY (N)	196.8	5.6%	2.5		9.9		8.9		4.9		11.6	
RUSS 3000 + 250 BP			11.7		17.4		15.8		9.0		11.9	
<b>Commodities</b>												
TOTAL COMMODITIES (N)	127.0	3.6%	-1.1		-2.9		1.5					
DJ UBS COMMODITY TR INDEX			-1.1		-3.0		1.4					
<b>Alternative Investment</b>												
TOTAL ALT. INV (N)	446.7	12.7%	1.9		5.2		5.3		1.2		9.4	
S & P 500 + 447 BP			11.8		19.0		17.7		10.6		13.3	
<b>Cash</b>												
<b>Cash and Equivalents</b>												
TOTAL CASH (G)	50.8	1.4%	0.0	95	0.0	87	0.8	7	1.0	19	2.1	21
90-DAY T-BILLS			0.0		0.2		0.1		0.3		1.6	

## Asset Allocation by Asset Class - (000's)



Market Value: \$3,505,120

## Asset Allocation vs Policy



# Fresno County Employees' Retirement Association

## Investment Manager Performance Data - Gross

Period Ending: March 31, 2013

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2013 (Returns for periods greater than one year are annualized)								Calendar Year Returns				
		Quarter	YTD	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2012	2011	2010	2009	2008
<b>Total Manager</b>														
<b>TOTAL FUND (G)</b>	<b>\$3,505,120</b>	<b>4.4%</b>	<b>4.4%</b>	<b>9.4%</b>	<b>9.6%</b>	<b>5.9%</b>	<b>9.4%</b>			<b>13.5%</b>	<b>0.1%</b>	<b>16.3%</b>	<b>22.4%</b>	<b>-25.7%</b>
Investment Style:Total														
Benchmark:POLICY INDEX		5.0%	5.0%	9.4%	9.0%	4.5%	8.2%			12.3%	0.1%	13.3%	19.2%	-25.8%
Ranking -Total Funds - Public Funds Univ.		62nd	62nd	75th	44th	22nd	19th			38th	76th	3rd	24th	62nd
<b>Domestic Equity Manager</b>														
<b>SSGA S&amp;P 500 FLAG. (G)</b>	<b>\$171,153 (4.9%)</b>	<b>10.6%</b>	<b>10.6%</b>	<b>14.0%</b>	<b>12.7%</b>	<b>5.9%</b>		<b>6.0%</b>	<b>3/23/2004</b>	<b>16.0%</b>	<b>2.1%</b>	<b>15.1%</b>	<b>26.6%</b>	<b>-36.9%</b>
Investment Style:Large Cap														
Benchmark:S & P 500 INDEX		10.6%	10.6%	14.0%	12.7%	5.8%		5.9%		16.0%	2.1%	15.1%	26.4%	-37.0%
Ranking -Equity Style - Large Core Univ.		50th	50th	43rd	35th	57th				42nd	28th	51st	53rd	50th
<b>WADDELL &amp; REED (G)</b>	<b>\$170,219 (4.9%)</b>	<b>9.0%</b>	<b>9.0%</b>	<b>8.0%</b>				<b>11.1%</b>	<b>12/17/2010</b>	<b>12.5%</b>	<b>3.0%</b>			
Investment Style:Large Cap Growth														
Benchmark:RUSSELL 1000 GROWTH INDEX		9.5%	9.5%	10.1%				12.3%		15.3%	2.6%			
Ranking -Equity Style - Large Growth Univ.		47th	47th	58th						80th	24th			
<b>WINSLOW CAPITAL MGMT (G)</b>	<b>\$169,458 (4.8%)</b>	<b>9.5%</b>	<b>9.5%</b>	<b>6.3%</b>				<b>11.0%</b>	<b>12/17/2010</b>	<b>14.1%</b>	<b>0.6%</b>			
Investment Style:Large Cap Growth														
Benchmark:RUSSELL 1000 GROWTH INDEX		9.5%	9.5%	10.1%				12.3%		15.3%	2.6%			
Ranking -Equity Style - Large Growth Univ.		31st	31st	75th						68th	46th			
<b>AJO (G)</b>	<b>\$172,529 (4.9%)</b>	<b>13.1%</b>	<b>13.1%</b>	<b>17.6%</b>	<b>14.4%</b>	<b>6.8%</b>	<b>10.4%</b>	<b>10.7%</b>	<b>12/4/1995</b>	<b>17.4%</b>	<b>2.7%</b>	<b>16.1%</b>	<b>17.5%</b>	<b>-33.1%</b>
Investment Style:Large Cap Value														
Benchmark:RUSSELL 1000 VALUE INDEX		12.3%	12.3%	18.8%	12.7%	4.9%	9.2%	8.4%		17.5%	0.4%	15.5%	19.7%	-36.9%
Ranking -Equity Style - Large Value Univ.		19th	19th	29th	19th	34th	32nd			33rd	24th	37th	91st	11th
<b>WELLINGTON LG VAL (G)</b>	<b>\$171,189 (4.9%)</b>	<b>12.2%</b>	<b>12.2%</b>	<b>18.2%</b>	<b>13.5%</b>	<b>6.4%</b>	<b>9.7%</b>	<b>6.3%</b>	<b>4/30/2000</b>	<b>20.6%</b>	<b>-1.2%</b>	<b>16.9%</b>	<b>28.7%</b>	<b>-40.2%</b>
Investment Style:Large Cap Value														
Benchmark:RUSSELL 1000 VALUE INDEX		12.3%	12.3%	18.8%	12.7%	4.9%	9.2%	5.4%		17.5%	0.4%	15.5%	19.7%	-36.9%
Ranking -Equity Style - Large Value Univ.		33rd	33rd	23rd	28th	42nd	52nd			12th	63rd	24th	33rd	68th

# Fresno County Employees' Retirement Association

## Investment Manager Performance Data - Gross

Period Ending: March 31, 2013

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2013 (Returns for periods greater than one year are annualized)							Calendar Year Returns					
		Quarter	YTD	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2012	2011	2010	2009	2008
<b>SYSTEMATIC SMID VAL (G)</b>	<b>\$100,574 (2.9%)</b>	<b>13.5%</b>	<b>13.5%</b>	<b>18.0%</b>				<b>15.1%</b>	<b>10/8/2010</b>	<b>18.1%</b>	<b>-4.4%</b>			
Investment Style:Small/Mid Cap Value														
Benchmark:RUSSELL 2500 VALUE INDEX		13.4%	13.4%	21.2%				16.2%		19.2%	-3.4%			
Ranking -Equity Style - Small/Mid Value Univ.		33rd	33rd	43rd						36th	43rd			
<b>KALMAR INVESTMENTS (G)</b>	<b>\$93,695 (2.7%)</b>	<b>10.0%</b>	<b>10.0%</b>	<b>11.4%</b>	<b>18.0%</b>	<b>11.1%</b>		<b>9.0%</b>	<b>11/30/2004</b>	<b>14.8%</b>	<b>1.7%</b>	<b>37.3%</b>	<b>36.7%</b>	<b>-37.1%</b>
Investment Style:Small Cap Growth														
Benchmark:RUSSELL 2000 GROWTH INDEX		13.2%	13.2%	14.5%	14.7%	9.0%		7.1%		14.6%	-2.9%	29.1%	34.5%	-38.5%
Ranking -Equity Style - Small Growth Univ.		85th	85th	67th	24th	33rd				48th	39th	8th	48th	33rd
<b>International Equity Manager</b>														
<b>ARTISAN INTL GWTH (G)</b>	<b>\$275,449 (7.9%)</b>							<b>-0.1%</b>	<b>3/13/2013</b>					
Investment Style:International Equity														
Benchmark:MSCI EAFE INDEX								-0.8%						
Ranking -Int'l Developed Market Equity Univ.														
<b>RAFI INTL EQUITY (G)</b>	<b>\$266,859 (7.6%)</b>	<b>2.0%</b>	<b>2.0%</b>	<b>10.4%</b>				<b>-1.7%</b>	<b>4/29/2011</b>	<b>18.7%</b>				
Investment Style:International Equity														
Benchmark:MSCI EAFE INDEX		5.2%	5.2%	11.8%				-0.6%		17.9%				
Ranking -Int'l Developed Market Equity Univ.		88th	88th	63rd						60th				
<b>MONDRIAN INTL SMALL (G)</b>	<b>\$149,531 (4.3%)</b>	<b>4.9%</b>	<b>4.9%</b>	<b>15.6%</b>	<b>15.2%</b>			<b>16.2%</b>	<b>11/2/2009</b>	<b>25.5%</b>	<b>-8.1%</b>	<b>30.3%</b>		
Investment Style:Small Cap														
Benchmark:S&P DEVELOPED ex. US SC INDEX		6.9%	6.9%	11.4%	8.2%			9.4%		18.6%	-14.5%	22.0%		
Ranking -Int'l Developed Market Equity Univ.		47th	47th	20th	2nd					11th	20th	2nd		
<b>MONDRIAN EMG MARKETS (G)</b>	<b>\$173,328 (4.9%)</b>	<b>2.2%</b>	<b>2.2%</b>	<b>9.4%</b>	<b>9.0%</b>	<b>5.5%</b>		<b>11.1%</b>	<b>11/17/2005</b>	<b>23.1%</b>	<b>-11.2%</b>	<b>18.4%</b>	<b>71.3%</b>	<b>-45.0%</b>
Investment Style:Emerging Markets Equity														
Benchmark:MSCI EMER MKTS INDEX		-1.6%	-1.6%	2.3%	3.6%	1.4%		9.0%		18.6%	-18.2%	19.2%	79.0%	-53.2%
Ranking -Int'l Emerging Markets Equity Univ.		29th	29th	25th	21st	22nd				25th	17th	59th	75th	22nd

# Fresno County Employees' Retirement Association

## Investment Manager Performance Data - Gross

Period Ending: March 31, 2013

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2013 (Returns for periods greater than one year are annualized)								Calendar Year Returns				
		Quarter	YTD	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2012	2011	2010	2009	2008
<b>Domestic Fixed Income Manager</b>														
<b>BLACKROCK FIXED INC (G)</b>	<b>\$320,550 (9.1%)</b>	<b>-0.2%</b>	<b>-0.2%</b>	<b>4.3%</b>	<b>6.2%</b>	<b>6.1%</b>		<b>5.6%</b>	<b>6/25/2004</b>	<b>5.3%</b>	<b>8.0%</b>	<b>8.2%</b>	<b>12.6%</b>	<b>-2.1%</b>
Investment Style:Domestic Fixed Income														
Benchmark:BC AGGREGATE INDEX		-0.1%	-0.1%	3.8%	5.5%	5.5%		5.4%		4.2%	7.8%	6.5%	5.9%	5.2%
Ranking -Bond Funds Univ.		78th	78th	60th	51st	49th				57th	25th	48th	48th	59th
<b>LOOMIS SAYLES FI (G)</b>	<b>\$321,971 (9.2%)</b>	<b>0.7%</b>	<b>0.7%</b>	<b>9.7%</b>	<b>9.4%</b>	<b>10.2%</b>	<b>7.8%</b>	<b>0.2%</b>	<b>7/5/2001</b>	<b>12.0%</b>	<b>8.0%</b>	<b>10.9%</b>	<b>18.8%</b>	<b>2.8%</b>
Investment Style:Domestic Fixed Income														
Benchmark:BC AGGREGATE INDEX		-0.1%	-0.1%	3.8%	5.5%	5.5%	5.0%	2.2%		4.2%	7.8%	6.5%	5.9%	5.2%
Ranking -Bond Funds Univ.		25th	25th	19th	22nd	13th	17th			19th	25th	29th	25th	39th
<b>WESTERN CORE FIXED (G)</b>	<b>\$139,848 (4.0%)</b>	<b>0.4%</b>	<b>0.4%</b>	<b>7.0%</b>	<b>8.3%</b>	<b>8.1%</b>		<b>6.3%</b>	<b>5/5/2005</b>	<b>9.3%</b>	<b>7.7%</b>	<b>11.3%</b>	<b>19.8%</b>	<b>-7.5%</b>
Investment Style:Domestic Fixed Income														
Benchmark:BC AGGREGATE INDEX		-0.1%	-0.1%	3.8%	5.5%	5.5%		5.3%		4.2%	7.8%	6.5%	5.9%	5.2%
Ranking -Bond Style - Core Univ.		27th	27th	14th	3rd	5th				6th	45th	10th	10th	84th
<b>STANDISH MELLON OPP. (G)</b>	<b>\$104,837 (3.0%)</b>	<b>2.2%</b>	<b>2.2%</b>	<b>10.8%</b>	<b>7.2%</b>			<b>10.9%</b>	<b>5/12/2009</b>	<b>12.3%</b>	<b>-0.5%</b>	<b>12.8%</b>		
Investment Style:High Yield														
Benchmark:BC AGGREGATE + 300 BP		0.6%	0.6%	6.9%	8.7%			9.0%		7.3%	11.0%	9.7%		
Ranking -Bond Funds Univ.		13th	13th	15th	40th					18th	93rd	20th		
<b>SSGA TIPS (G)</b>	<b>\$36,228 (1.0%)</b>	<b>-0.4%</b>	<b>-0.4%</b>	<b>5.7%</b>	<b>8.5%</b>			<b>9.3%</b>	<b>2/27/2009</b>	<b>6.9%</b>	<b>13.5%</b>	<b>6.3%</b>		
Investment Style:Real Return														
Benchmark:BC US TIPS INDEX		-0.4%	-0.4%	5.7%	8.6%			9.3%		7.0%	13.6%	6.3%		
Ranking -Bond Style - U.S. TIPS (mf) Univ.		48th	48th	22nd	14th					24th	5th	32nd		
<b>Real Estate Manager</b>														
<b>INVESCO CORE RE (G)</b>	<b>\$107,204 (3.1%)</b>	<b>3.3%</b>	<b>3.3%</b>	<b>10.2%</b>	<b>15.1%</b>	<b>-0.5%</b>		<b>0.1%</b>	<b>10/1/2007</b>	<b>8.7%</b>	<b>16.9%</b>	<b>16.7%</b>	<b>-32.2%</b>	<b>-4.6%</b>
Investment Style:Real Estate														
Benchmark:NFI-ODCE INDEX		2.7%	2.7%	10.8%	15.1%	-0.8%		-0.1%		10.9%	16.0%	16.4%	-29.8%	-10.0%
Ranking -Real Estate Funds Univ.		33rd	33rd	54th	30th	41st				70th	30th	25th	61st	43rd

# Fresno County Employees' Retirement Association

## Investment Manager Performance Data - Gross

Period Ending: March 31, 2013

	Market Value (000's) / (%)	Performance For Periods Ending 3/31/2013 (Returns for periods greater than one year are annualized)							Calendar Year Returns				
		Quarter	YTD	One Yr	Three Yrs	Five Yrs	Ten Yrs	Since Inception	Inception Date	2012	2011	2010	2009
<b>Alternative Investment Manager</b>													
<b>COMMON SENSE (G)</b>	<b>\$49,066 (1.4%)</b>	<b>2.7%</b>	<b>2.7%</b>	<b>1.2%</b>	<b>1.4%</b>		<b>1.2%</b>	<b>12/3/2009</b>	<b>-3.0%</b>	<b>6.7%</b>	<b>-3.7%</b>		
Investment Style:Hedge Funds													
Benchmark:HFRI FOF COMPOSITE INDEX		3.3%	3.3%	4.7%	2.1%		2.3%		4.8%	-5.7%	5.7%		
Ranking -Hedge Fund of Funds Univ.		61st	61st	66th	51st				97th	2nd	96th		
<b>GROSVENOR (G)</b>	<b>\$73,812 (2.1%)</b>	<b>5.0%</b>	<b>5.0%</b>	<b>10.1%</b>	<b>5.5%</b>		<b>6.3%</b>	<b>10/31/2009</b>	<b>9.7%</b>	<b>-2.6%</b>	<b>7.6%</b>		
Investment Style:Hedge Funds													
Benchmark:HFRI FOF COMPOSITE INDEX		3.3%	3.3%	4.7%	2.1%		2.7%		4.8%	-5.7%	5.7%		
Ranking -Hedge Fund of Funds Univ.		46th	46th	28th	18th				29th	18th	24th		
<b>BLACKROCK COMM (G)</b>	<b>\$127,041 (3.6%)</b>	<b>-1.0%</b>	<b>-1.0%</b>	<b>-2.6%</b>	<b>1.7%</b>		<b>1.6%</b>	<b>3/31/2010</b>	<b>-0.6%</b>	<b>-13.2%</b>			
Investment Style:Commodities													
Benchmark:DJ UBS COMMODITY TR INDEX		-1.1%	-1.1%	-3.0%	1.4%		1.4%		-1.1%	-13.3%			
Ranking -NA Univ.													

# Fresno County Employees' Retirement Association

## Manager Scorecard Five Years

Period Ending: March 31, 2013

Manager	Return	Index Return	Standard Deviation	Alpha	Beta	Rsqr	Up Market Capture	Down Market Capture	Batting Average	Information Ratio
<b>Domestic Equity</b>										
WADDELL & REED COMP (G)	5.3%	7.3%	20.2	-1.48	0.92	0.99	83%	98%	350	-0.67
WINSLOW COMP (G)	7.4%	7.3%	23.5	-0.11	1.06	0.97	112%	107%	400	0.01
AJO (G)	6.8%	4.9%	21.4	2.08	0.91	0.98	97%	91%	600	0.52
WELLINGTON LG VAL (G)	6.4%	4.9%	25.0	1.50	1.05	0.95	115%	102%	600	0.27
SYSTEMATIC COMP (G)	10.4%	8.8%	25.6	2.14	0.93	0.91	103%	96%	650	0.20
KALMAR INVESTMENTS (G)	11.1%	9.0%	24.7	2.39	0.92	0.98	96%	91%	600	0.49
<b>International Equity</b>										
ARTISAN COMP (G)	3.1%	-0.4%	26.4	3.56	1.00	0.97	116%	96%	650	0.73
MONDRIAN INTL SC COM (G)	8.0%	1.5%	26.6	6.18	0.88	0.96	107%	85%	700	1.02
RAFI INTL EQ. COMP (G)	1.1%	-0.4%	26.8	1.50	1.02	0.98	106%	98%	500	0.37
MONDRIAN EMG MARKETS (G)	5.5%	1.4%	28.3	3.71	0.91	0.99	95%	87%	650	1.04
<b>Domestic Fixed Income</b>										
BLACKROCK FIXED INC (G)	6.1%	5.5%	4.0	1.23	0.88	0.54	120%	165%	700	0.23
LOOMIS SAYLES FI (G)	10.2%	5.5%	5.6	4.05	1.09	0.44	199%	127%	800	1.10
WESTERN CORE FIXED (G)	8.1%	5.5%	5.6	4.03	0.72	0.19	155%	127%	750	0.50
<b>Real Estate</b>										
INVESCO COMP (G)	-0.5%	2.3%	12.0	-3.27	1.41	0.84	118%	156%	500	-0.48
<b>Alternative Investment</b>										
COMMON SENSE (HIST) (G)	-1.8%	-0.3%	6.7	-1.84	0.13	0.03	-13%	13%	400	-0.15
GROSVENOR (HIST) (G)	2.7%	-0.3%	9.0	2.90	1.02	0.96	135%	87%	700	1.63

# Fresno County Employees' Retirement Association

## Performance Standard Checklist

Period Ending: March 31, 2013

No Issues
Watch
Terminate

Investment Manager	Asset Class	Watch Date	Funding Date	Standard #1	Standard #2	Standard #3	Standard #4	Standard #5	Standard #6
WADDELL & REED	Large Growth		12/17/2010	↓	↓	↓	↓	↓	↑
WINSLOW	Large Growth	3/31/2013	12/17/2010	↓	↓	↑	↑	↑	↑
ARONSON JOHNSON	Large Value		12/4/1995	↑	↑	↑	↑	↑	↑
WELLINGTON	Large Value		4/30/2000	↑	↓	↑	↓	↑	↑
KALMAR	Small Growth		11/30/2004	↑	↑	↑	↑	↑	↑
SYSTEMATIC	Sm/Mid Value		10/8/2010	↑	↓	↑	↑	↑	↑
MONDRIAN EMERGING	Emerging Markets		11/7/2005	↑	↑	↑	↑	↑	↑
RESEARCH AFFILIATES	International Equity		4/29/2011	↑	↓	↓	↑	↓	↑
ARTISAN INTL	International Equity		3/13/2013	↑	↑	↑	↑	↓	↑
MONDRIAN INTL SM CAP	Intl Small Cap		11/2/2009	↑	↑	↑	↑	↑	↑

### Performance Standards

**Standard #1:** The manager has outperformed the assigned benchmark a minimum of 50% of the time over the last 20 quarters.

**Standard #2:** The equity manager and fixed income manager have returned 110% and 105% respectively of the assigned benchmark returns over the most recent three-year period.

**Standard #3:** The manager's performance is in the 50th percentile or better against the appropriate style universe in at least three of the last five years of consecutive annual returns.

**Standard #4:** The manager has a Sharpe Ratio equal to or greater than the median manager in an appropriate style universe over the most recent five year period (five year gross return minus five year 91day T-Bill return/standard deviation).

**Standard #5:** The manager has an Information Ratio equal to or greater than the median manager in an appropriate style universe over the most recent five year period (gross excess return over benchmark/tracking error).

**Standard #6:** The manager experiences non-performance related issues including personnel turnover, changes in investment philosophy, excessive asset growth, change in ownership, and any other reason causing concern.

# Fresno County Employees' Retirement Association

## Performance Standard Checklist

Period Ending: March 31, 2013

No Issues
Watch
Terminate

<u>Investment Manager</u>	<u>Asset Class</u>	<u>Watch Date</u>	<u>Funding Date</u>	Standard #1	Standard #2	Standard #3	Standard #4	Standard #5	Standard #6
BLACKROCK	Domestic Fixed		6/25/2004	↑	↑	↑	↑	↑	↑
LOOMIS SAYLES	Domestic Fixed		7/5/2001	↑	↑	↑	↑	↑	↑
WESTERN ASSET	Domestic Fixed		5/5/2005	↑	↑	↑	↓	↑	↑
INVESCO CORE RE	Real Estate		10/1/2007	↑	↓	↑	↑	↑	↑
COMMON SENSE	Hedge Fund	3/31/2013	12/3/2009	↓	↓	↓	↓	↑	↓
GROSVENOR	Hedge Fund		10/31/2009	↑	↑	↑	↑	↑	↑

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# Fresno County Employees' Retirement Association

## Private Equity

Period Ending: March 31, 2013

IRR Analysis as of IRR date												
Vintage Year	Manager Name/Fund Name	Estimated Market Value as of 3/31/13 <sup>3</sup>	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-In (DPI) <sup>1</sup>	Tot. Value/ Paid-In (TVPI) <sup>2</sup>	Net IRR Since Inception <sup>6</sup>	IRR Date
<b>Private Equity</b>												
2012	Oaktree Opportunities IX, L.P.	\$745,200	\$15,000,000	\$750,000	5%	\$14,250,000	\$0	\$745,200	0.0%	99.4%	NA <sup>4</sup>	03/31/13
2010	KKR Mezzanine Partners	\$10,088,228	\$30,000,000	\$10,789,802	36%	\$19,210,198	\$3,327,305	\$10,088,228	30.8%	124.3%	8.0%	12/31/12
2010	Angelo Gordon VII	\$32,231,372	\$30,000,000	\$30,000,000	100%	\$0	\$3,000,000	\$32,231,372	10.0%	117.4%	6.2%	03/31/13
2008	Landmark Equity XIV, L.P.	\$16,722,864	\$30,000,000	\$17,441,674	58%	\$12,558,326	\$4,717,159	\$16,566,663	27.0%	122.9%	20.3%	09/30/12
2007	New Mountain Partners III	\$13,853,894	\$15,000,000	\$12,845,867	86%	\$2,154,133	\$3,404,439	\$13,161,851	26.5%	134.3%	3.7%	12/31/12
2007	Hamilton Lane	\$51,416,872	\$70,000,000	\$59,325,000	85%	\$10,675,000	\$22,750,943	\$51,416,872	38.3%	125.0%	6.3%	03/31/13
2007	WP Private Equity X, L.P.	\$24,553,903	\$25,000,000	\$24,475,000	98%	\$525,000	\$4,767,413	\$24,553,903	19.5%	119.8%	6.1%	03/31/13
2002	Blackstone IV	\$11,417,347	\$20,000,000	\$22,246,000	111%	-\$2,246,000	\$43,598,000	\$11,417,347	196.0%	247.3%	30.5%	03/31/13
2002	Lone Star Fund IV	\$961,522	\$20,000,000	\$19,045,199	95%	\$954,801	\$42,116,795	\$961,522	221.1%	226.2%	30.5%	03/31/13
2002	TCW Shop IV	\$5,687,684	\$15,000,000	\$24,090,486	161%	-\$9,090,486	\$23,405,109	\$5,687,684	97.2%	120.8%	6.6%	12/31/12
2001	WP Private Equity VIII, L.P.	\$20,473,498	\$25,000,000	\$25,000,000	100%	\$0	\$35,392,776	\$20,473,498	141.6%	223.5%	15.6%	12/31/12
2000	Landmark Equity X, L.P.	\$2,478,391	\$20,000,000	\$19,009,543	95%	\$990,457	\$20,121,009	\$2,698,260	105.8%	118.9%	4.3%	09/30/12
1999	New Mountain Partners, L.P.	\$1,891,679	\$20,000,000	\$19,009,337	95%	\$990,663	\$25,443,481	\$1,891,679	133.8%	143.8%	12.5%	12/31/12
1999	BCI Growth V, L.P.	\$1,048,919	\$20,000,000	\$18,948,000	95%	\$1,052,000	\$8,226,000	\$1,048,919	43.4%	48.9%	-9.5%	12/31/12
1998	TCW Shop III	\$2,408,767	\$15,000,000	\$15,000,000	100%	\$0	\$16,047,887	\$2,408,767	107.0%	123.0%	3.4%	09/30/12
1998	WP Equity Partners, L.P.	\$734,016	\$20,000,000	\$20,000,000	100%	\$0	\$31,928,813	\$734,016	159.6%	163.3%	10.2%	12/31/12
1997	Blackstone III	\$87,184	\$15,000,000	\$15,368,000	102%	-\$368,000	\$35,310,000	\$87,184	229.8%	230.3%	14.5%	03/31/13

<b>Total Alternative Illiquids</b>	<b>\$196,801,340</b>	\$405,000,000	\$353,343,907	87%	\$51,656,093	\$323,557,129	\$196,172,965	91.6%	147.3%
<b>% of Portfolio (Market Value)</b>	<b>5.6%</b>								

<sup>1</sup>(DPI) is equal to (capital returned / capital called)

<sup>2</sup>(TVPI) is equal to (market value + capital returned) / capital called

<sup>3</sup>Last known market value + capital calls - distributions

<sup>4</sup>IRR currently unavailable for these funds.

<sup>5</sup>Investment period ended, no further capital to be called.

<sup>6</sup>Gross IRR is calculated on the cash flows of the underlying investments of the fund and is net of the underlying fund fees and carried interest.

<sup>7</sup>Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR figure is provided by its respective manager

# Fresno County Employees' Retirement Association

## Real Estate - Closed End Funds

Period Ending: March 31, 2013

Inception Date	Real Estate - Closed End Funds	Total Commitment (000's)	Contributions (000's)	Distributions (000's)	Market Values (000's)	One Quarter Return(%)	One Year Return(%)	Three Years Return(%)	Five Years Return(%)	(IRR) Since Inception(%)
12/04/09	Colony Capital*	\$40,000	\$42,268	\$28,161	<b>\$32,710</b>	0.5	6.6	20.4%	NA	20.9
10/30/09	TA Realty IX*	\$30,000	\$30,000	\$6,181	<b>\$29,653</b>	1.9	10.4	12.1%	NA	14.0
04/15/99	TA Realty V**	\$20,000	\$20,000	\$36,320	<b>\$0</b>	1.3	4.4	-8.1	-13.0	10.3
04/12/89	JMB V	\$10,000	\$10,000	\$17,831	<b>\$8</b>	0.0	0.0	-1.2	-1.4	NA

**Total Real Estate - Closed End**      \$100,000      \$102,268      \$88,493      **\$62,371**

**Total Real Estate - Closed End**      **\$62,371**

**% of Total Fund (Market Value)**      **1.8%**

\* Balance and IRR as of 12/31/2012. Colony Capital reflects a FCERA-specific IRR.

\*\* Fund liquidated Q1 2013.

# Fresno County Employees' Retirement Association

## Investment Fund Fee Analysis Long

Period Ending: March 31, 2013

Fund Name	Investment Category	Fee Schedule	Assets as of 3/31/2013	Ticker	Average Expense Ratio	Expense Ratio	Est. Annual Expense	Revenue Sharing	Estimated Revenue
SSGA S&P 500 FLAG.	Domestic Equity Large Cap	0.03% on 1st \$150MM 0.018% on next \$500MM	\$171,153,072	Commingled	0.52%	0.03%	\$48,779	n/a	n/a
WADDELL & REED	Domestic Equity Large Cap Growth	0.25% Total Expense Ratio	\$170,219,247	Separate	0.57%	0.25%	\$425,548	n/a	n/a
WINSLOW CAPITAL MGMT	Domestic Equity Large Cap Growth	0.25% Total Expense Ratio	\$169,458,487	Separate	0.57%	0.25%	\$423,646	n/a	n/a
AJO	Domestic Equity Large Cap Value	0.3% Total Expense Ratio	\$172,529,315	Separate	0.53%	0.30%	\$517,588	n/a	n/a
WELLINGTON LG VAL	Domestic Equity Large Cap Value	0.32% on 1st \$250MM 0.3% on next \$500MM	\$171,189,259	Separate	0.53%	0.32%	\$547,806	n/a	n/a
SYSTEMATIC SMID VAL	Domestic Equity Small/Mid Cap Value	0.35% Total Expense Ratio	\$100,574,283	Separate	0.81%	0.35%	\$352,010	n/a	n/a
KALMAR INVESTMENTS	Domestic Equity Small Cap Growth	1% on 1st \$10MM 0.875% on next \$10MM 0.75% on next \$500MM	\$93,694,701	Separate	0.85%	0.79%	\$740,188	n/a	n/a
ARTISAN INTL GWTH	International Equity	0.8% on 1st \$50MM 0.6% on next \$500MM	\$275,449,014	Separate	0.68%	0.64%	\$1,752,682	n/a	n/a
RAFI INTL EQUITY	International Equity	0.12% Total Expense Ratio	\$266,859,294	Separate	0.68%	0.12%	\$320,231	n/a	n/a
MONDRIAN INTL SMALL	International Equity Small Cap	0.85% on 1st \$25MM 0.65% on next \$50MM 0.625% on next \$50MM 0.6% on next \$500MM	\$149,530,704	Commingled	0.68%	0.67%	\$997,220	n/a	n/a
MONDRIAN EMG MARKETS	Emerging Markets Equity	1% on 1st \$25MM 0.75% on next \$50MM 0.6% on next \$500MM	\$173,328,376	Commingled	0.90%	0.70%	\$1,215,032	n/a	n/a
BLACKROCK FIXED INC	Domestic Fixed Income	0.25% on 1st \$100MM 0.2% on next \$100MM 0.175% on next \$100MM 0.15% on next \$500MM	\$320,550,421	Separate	0.28%	0.20%	\$655,846	n/a	n/a
LOOMIS SAYLES FI	Domestic Fixed Income	0.205% Total Expense Ratio	\$321,970,565	Separate	0.28%	0.21%	\$660,040	n/a	n/a
WESTERN CORE FIXED	Domestic Fixed Income	0.15% Total Expense Ratio	\$139,848,394	Separate	0.28%	0.15%	\$209,773	n/a	n/a
STANDISH MELLON OPP.	Domestic Fixed Income High Yield	0.4% on 1st \$50MM 0.35% on next \$150MM 0.25% on next \$500MM	\$104,836,647	Commingled	0.28%	0.37%	\$391,879	n/a	n/a
SSGA TIPS	Domestic Fixed Income Real Return	0.04% Total Expense Ratio	\$36,227,891	Commingled	0.76%	0.04%	\$14,491	n/a	n/a
COMMON SENSE	Hedge Funds	1.5% on 1st \$5MM 1.25% on next \$20MM 1% on next \$500MM	\$49,066,499	Commingled	1.50%	1.15%	\$565,688	n/a	n/a
GROSVENOR	Hedge Funds	1.4% on 1st \$10MM 1.2% on next \$15MM 1% on next \$25MM 0.8% on next \$50MM	\$73,811,511	Commingled	1.50%	1.03%	\$760,480	n/a	n/a

# Fresno County Employees' Retirement Association

## Investment Fund Fee Analysis Long

Period Ending: March 31, 2013

Fund Name	Investment Category	Fee Schedule	Assets as of 3/31/2013	Ticker	Average Expense Ratio	Expense Ratio	Est. Annual Expense	Revenue Sharing	Estimated Revenue
BLACKROCK COMM	Commodities	0.6% on next \$500MM 0.3% Total Expense Ratio	\$127,041,102	Commingled	n/a	0.30%	\$381,123	n/a	n/a
<b>Total</b>			<b>\$3,087,338,781</b>			<b>0.36%</b>	<b>\$10,980,050</b>		

*This fee analysis only reflects base fees for investment management, does not incorporate performance-based fees, and excludes fees paid to real estate and private equity managers. Real estate and private equity fees have other components which cannot be easily captured in this simplified format.*

*\* Managers with incentive fee: Waddell, Winslow, Systematic, Research Affiliates, Western Asset, Artisan.*

*\*\* If Loomis FI assets fall below \$200MM, the annual management fee for Loomis FI will rise to 0.25%.*

*\*\*\* Standish Mellon Opp. has a minimum annual fee of \$100,000.*

*\*\*\*\* Common Sense fee schedule effective as of January 1, 2013.*

*\*\*\*\*\* Research Affiliates fee schedule effective as of April 1, 2013.*

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