



# Joint Informational Meeting 2011 Review

Keith Bozarth  
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Board	Mtg Date	Item
Jl	3.8.12	3B



# Core Fund Analysis 2011

	Benchmark	Actual Returns
Total Core Fund	0.9%	1.4%
Public Equities	-5.8%	-5.2%
Public Fixed Income	8.0%	7.6%
Inflation Protection	13.6%	15.3%
Real Estate	17.4%	21.5%
Private Equity	9.8%	12.2%
Multi-Asset Strategies	-0.9%	4.4%



# Contributions to Variance from Total Benchmark

## Allocation Effects

	Allocation Drift	-0.11%
	Benchmark Misfit	+0.07%

## Portfolio Contributors

	Public Equity Group	+0.16%
	Public Fixed Income Group	-0.11%
	Inflation Protection	+0.04%
	Real Estate Group	+0.11%
	Private Equity Group	+0.17%
	Multi-Asset Strategies	+0.14%
	Others effects	+0.04%




# Variable Fund Analysis 2011

Fund	Return
Total Fund Return	-3.0%
Benchmark	-3.6%

## Key Contributions to Variance from Benchmark

Allocation effects		
	Allocation Drift	+0.20%
	Benchmark Misfit	+0.01%
Portfolio Contributors		
	Public Equity Group	+0.31%
	Others Effects	+0.05%



# Economic Data for Select Periods

## December 31, 2011

Economic Data	The Great Inflation 1973 to 1983	Transition 1984 to 1995	Tech & Credit Bubbles 1996 to 6/2009	Recovery? 7/2009 to current	Full Period 1973 to current
Inflation (CPI)	8.23	3.54	2.49	2.24	4.39
Stock Market (Nominal Return)	8.07	15.45	4.84	15.71	9.61
Stock Market (Return Premium)*	-0.61	8.73	1.36	15.60	3.87
Unemployment Rate	7.28	6.41	5.19	9.33	6.42
Nominal GDP Growth	10.05	6.14	4.61	4.11	6.56
Real GDP Growth	2.63	3.16	2.39	2.30	2.69
Real Personal Income Growth	2.42	3.02	2.41	0.72	2.49
Bond Market (Nominal Return)	7.51	11.02	5.84	7.74	8.01
Bond Market (Return Premium)*	-1.12	4.56	2.33	7.63	2.35
Real Corporate Profit Growth	0.91	5.36	1.73	18.26	3.60

\*90-day Tbill used to calculate return premium.



# Core Fund Performance

As of February 29, 2012\*

	<b>YTD</b>	<b>Five Years</b>	<b>Ten Years</b>
Core Fund	6.8%	3.5%	7.0%
Benchmark	6.5%	3.4%	6.7%
Variable Fund	10.7%	1.3%	5.2%
Benchmark	10.5%	1.1%	5.3%

\*Preliminary Returns